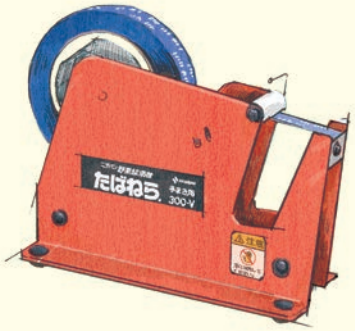
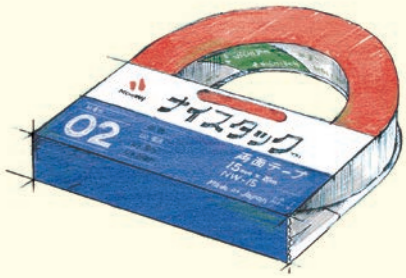
NICHIBAN

Sticking to
your needs













NICHIBAN Group

Integrated Report 2025

CONTENTS

Who We Are

Corporate Philosophy/Table of Contents ··· 2
NICHIBAN Products in Everyday Life ····· 4
NICHIBAN Group History ····· 6
NICHIBAN Group Strengths ····· 8
Value Creation Process ····· 10

Special Feature
Initiatives for Workplace Engagement Enhancement ····· 12

Financial and Non-Financial Highlights ····· 14

NICHIBAN's Strategies

Message from the Top Management ····· 16
Medium-term Management Plan ····· 20
Financial Strategies ····· 22

Business strategies for each business unit

Segment Structure and Sales Organization Framework ····· 24
Strategy for Each Field ····· 26
Research and Development ····· 32

Sustainability

Promotion Structure / Management / Materiality Identification ····· 34

PICK UP
Self-Adhesive Cellulose Tapes Realizing Ecocycle ····· 37

Quality and Environmental Initiatives ····· 38
Climate-Related Information Disclosure Based on TCFD Recommendations ····· 40
Environmental and Social Contribution Activities ····· 42
Initiatives for Human Capital Management ····· 44

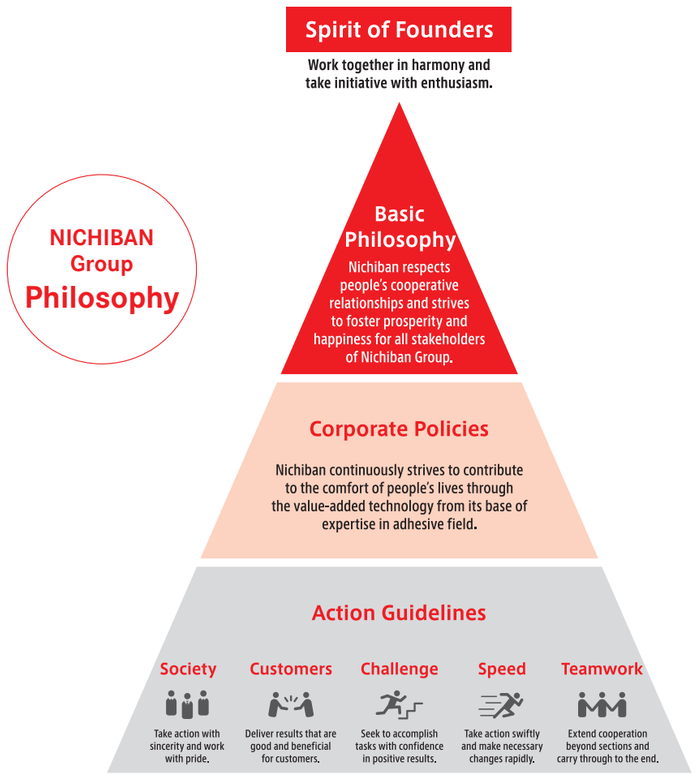
Management

Corporate Governance ····· 46
Compliance, Risk Management ····· 48
Management ····· 50
Messages from Outside Directors ····· 52

Data

Eleven-year Financial and Non-financial Summary ····· 54
Corporate Information, Stock Information, Others ····· 56

Sticking to your needs



Our corporate mark under the nickname of "N Wing" expresses NICHIBAN's initial N and the wing for the bright future.

Origin

The logo symbolizes our human attitude of "Fostering happiness for all those concerned with the NICHIBAN Group" with the soft curves used throughout two figures facing each other, representing improving the relationship between people themselves, as well as people and the environment, through communication.

"NICHIBAN Red"

The corporate color "NICHIBAN Red" is an expression of the NICHIBAN Group's challenging spirit, taking on new domains and ushering in the new era.

Editorial Policy

The NICHIBAN Group Integrated Report 2025 aims to provide all shareholders and investors with details on value created by the NICHIBAN Group, management and financial strategies, business strengths, performance reports, and ESG information that includes initiatives targeting the environment, human capital, local communities, and corporate governance.

Organizations Covered in this Report

NICHIBAN CO., LTD.
NICHIBAN TECHNO CO., LTD.
NICHIBAN (THAILAND) CO., LTD.
NICHIBAN PRINT CO., LTD.
NICHIBAN MEDICAL CORPORATION
NICHIBAN EUROPE GmbH

Explanatory Notes

The NICHIBAN Group refers to the NICHIBAN Group on a consolidated basis.
NICHIBAN refers to NICHIBAN CO., LTD.
"®" indicates registered trademark; "™" indicates trademark.
* "Paralym Art®" is a registered trademark of The Parents, Inc.

Reporting Period

April 1, 2024–March 31, 2025
In light of the importance of providing up-to-date information, some information on organizational structure and policies are included for the year 2025.

Reference Guidelines

- IFRS Foundation, Integrated Reporting Framework
- Ministry of Economy, Guidance for integrated corporate disclosure and company-investor dialogue for collaborative value creation

Date of Publication

JP August 2025
EN September 2025

Reporting Media

Major Information Disclosure Tool	Content
Official Website	This website covers all aspects of the NICHIBAN Group, including product and corporate information and the "NICHIBAN GROUP 2030 VISION." https://www.nichiban.com/corp/
NICHIBAN Group Integrated Report	Starting in fiscal 2023, in place of Sustainability Reports published previously, we are publishing the NICHIBAN Group Integrated Report, which integrates financial and non-financial information.
Corporate Governance Report	In accordance with the Corporate Governance Code, this report describes the objectives, status, and initiatives of Group corporate governance. https://www.nichiban.com/corp/ir/policy/governance/

NICHIBAN Products in Everyday Life

The NICHIBAN Group contributes to the realization of an abundant and comfortable lifestyle for everyone, in all places and situations within society, through over 10,000 products.

Medical Institutions

HYCOROLL™





This tape material is made of a hydrocolloid material with moderate thickness and cushioning. It reduces external pressure and friction, protecting the skin.

SKINERGATE™





This hypoallergenic surgical tape is widely used in medical institutions. It minimizes the burden on the skin during application and helps prevent irritation.

CHUSHAVAN™





This is an adhesive bandage with a pad that is applied after injections or blood draws. It is used for hemostasis, protection of the injection/blood draw site, and infection prevention. (General medical device - first aid adhesive bandage)

CARELEAVES™



A first aid bandage that combines “gentleness to the skin” and “comfortable fit.” It can be used for scrapes, chapped skin, shoe blisters, and similar injuries. (General medical device - first aid adhesive bandage)

General Household

Atofine™





It protects post-surgical “scars” from stretching stimulation, friction stimulation, ultraviolet rays, and other factors that can cause hypertrophic scars and keloids.

NICETACK™



A wide variety of double-sided adhesive tapes with paper holders. Perfect for crafts, DIY projects, and various household uses.

Manufacturing Sites

Masking Tapes



This versatile tape, available in a wide range of options, is widely used in construction sites, automotive factories, and home DIY projects.

FAPRO™ (Tabanera™)



This is a system used for bundling vegetables and other food items in supermarkets. We provide both the bundling tape and the machine for this purpose.

Food Pack Tapes



This tape, made from natural materials, is ideal for securing the lids of food containers used for bento boxes and prepared dishes. A long-length 500-meter roll is also available.

Self-Adhesive Cellulose Tapes



The main raw materials are natural materials derived from renewable plants, such as wood pulp and natural rubber. Recycled paper is used for the core.

battlewin™ for Sports Taping Tapes





This taping tape is designed to prevent injuries and prevent recurrence by moderately restricting joint movement and supporting muscles.

Dear Kitchen™





The brand concept is “helping to eliminate extra steps around the kitchen.” We offer a lineup of products that support household efficiency.

ROIHI-TSUBOKO™



This patch works through its active ingredients to improve blood circulation in the affected area, relieving symptoms of shoulder stiffness and lower back pain. (Class 3 OTC drug in Japan)

NICHIBAN Group History

Nichiban has developed a wide range of products based on its origins in the field of "adhesion" and has built its brand over many years. In 1918, Kenichi Utahashi founded "Utahashi Pharmaceutical Office" in Minami-Shinagawa, Tokyo. Starting with the development and manufacture of ointments, plasters, and first aid bandages, we continue to deliver "sustainable products that support people's comfortable daily lives," including Self-Adhesive Cellulose Tapes, which remains widely loved today.

→ Company Developments

1918
Establishment of Utahashi Pharmaceutical Office

Utahashi Pharmaceutical Office founded in Minami-Shinagawa, Tokyo. Launched manufacture of ointments, plasters, and other products. This factory is the origin of the NICHIBAN Group.



Kenichi Utahashi

1934
Establishment of Utahashi Pharmaceutical Office Co., Ltd.

Utahashi Pharmaceutical Office established as a corporate entity from a sole proprietorship in order to meet increasing demand.



1944
Company name changed to NICHIBAN Industry Co., Ltd.

25 adhesive bandage manufacturers nationwide centered around the Utahashi Pharmaceutical Office were integrated into one company. In September 1944, the trade name was changed to NICHIBAN Industry Co., Ltd.



1961
Company name changed to NICHIBAN CO., LTD.

State-of-the-art production facilities at both the Tokyo and Osaka factories were developed and expanded, and the company name was changed to the current NICHIBAN CO., LTD.



1967
Establishment of the Anjo Factory

New factory established in Anjo, Aichi Prefecture, to increase production capacity in response to growing demand for Self-Adhesive Cellulose Tapes and other products.



1972
Establishment of the Saitama Factory, relocated the Tokyo Factory to the Saitama Factory

The Tokyo Factory relocated to Hidaka, Saitama Prefecture, as residential development in the area around the Tokyo Factory made it difficult for the factory to expand and add equipment.



1976
Capital participation from TAIHO PHARMACEUTICAL CO., LTD.

Financial difficulties due to labor-management problems stemming from the oil shock and relocation of the Tokyo Factory resulted in NICHIBAN being restructured through capital participation from Taiho Pharmaceutical.

2017
Established NICHIBAN (THAILAND) CO., LTD., in Bangkok, Thailand

In 2014, we established a representative office in Bangkok, Thailand. Subsequently, in 2017, we established a sales company.



2018
Commemorated NICHIBAN's 100th anniversary

Ahead of the 100th anniversary, the eight-year medium- to long-term business plan "NB100" was formulated and launched in fiscal 2011 to develop a variety of businesses.

2018
Established the Advanced Technology Building and Relocated the Osaka Factory

As residential development expanded around the Osaka Factory, which was a pharmaceuticals production site, it became increasingly difficult to continue operations. Consequently, the Advanced Technology Building was established within the grounds of the Anjo Factory, housing the Advanced and Applied Research Institute and the Medical Anjo Factory (now the Pharmaceutical Anjo Factory).



2020
Established NICHIBAN EUROPE GmbH in Dusseldorf, Germany

Representative Office opened in Dusseldorf, Germany, in 2019, then a sales company was established the following year.



2024
Established a representative office in Shanghai, China

Opened a representative office to conduct information gathering and market research for expanding sales operations and advancing growth strategies in China.



→ Product Developments

1918
Launched the RIBBON MARK UTAHASHI BANDAGE

This was the first domestically mass-produced rubber adhesive bandage, distributed nationwide. It became the first adhesive bandage brand in Japan.



1931
Launched the CORN PLASTER

Introduced a salicylic acid adhesive bandage designed to remove warts, corns, and calluses.



1932
Launched sales of ROIHI-PLASTER

Pain-relief anti-inflammatory patch containing main ingredients scopolia extract and ichthyol. Sales were brisk, but production was discontinued during the war due to raw material shortages.



1948
Launched sales of Self-Adhesive Cellulose Tapes

With a proven track record in the manufacture of adhesive bandages, approached as a supplier of Self-Adhesive Cellulose Tapes for sealing envelopes after inspection.



1966
Launched sales of NICETACK™

Launched sales of double-sided adhesive tape for the stationery industry.



1978
Launched FAPRO™ (Tabanera™) and FAPRO™ (Tabanera™) Tapes

Developed from the idea of using tape to bind vegetables, which at that time were bound with straw and rubber bands.



1989
Launched ROIHI-TSUBOKO™

Launched sales of small, round, warming patches in the pain-relief anti-inflammatory patch market, which until then had been dominated by cooling type products.



1997
Launched CARELEAVES™

Commenced development of new products under the keywords "high quality." These first aid bandages are comfortable when applied and feel almost like bare skin.



2012
Launched CARELEAVES™ Hydrocolloid

Launched sales of first aid bandages that use special material Moist Pad™ to absorb and retain fluid from wounds and regenerate skin quickly and cleanly.



2016
Launched Atofine™ Post-Operative Scar Care Tape

Launched bandages that protect post-surgical and post-cesarean scars and make scars less noticeable.



2023
Launched CATHEREEPLUS™ ECHO, a catheter covering and protective material that supports catheter puncture under echo guidance, and NICHIBAN SMART GLASS.

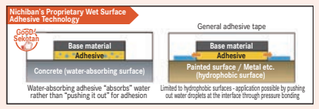
These products enable a seamless workflow for vascular identification, puncture, and fixation under ultrasound guidance.





March 2025
Released SEKOTAN™ ADHESIVE TAPE for Wet Concrete WCT that can be applied to wet concrete

This product can be applied to wet concrete after rain for lightweight sheet fixing and marking applications, contributing to shortening construction time and improving efficiency.





Global Trends

- World War I (1914-1918)
- Era name changed to Showa (1926)
- World War II (1939-1945)
- High economic growth period (1955-1973)
- Oil Crisis (First: 1973/Second: 1978)
- Era name changed to Heisei (1989)
- Great East Japan Earthquake (2011)
- Era name changed to Reiwa (2019)

NICHIBAN Group Strengths

Today, the Nichiban Group has established business foundations across a wide range of fields. Our strengths lie in our expansion capabilities leveraging the product brands we have built over the years, our technology rooted in the field of adhesion, and our robust supply chain and customers. The Nichiban Group aims to be a company that continues to create value supporting comfortable living and contributes globally.



Product item count is over **10,000**

Strengths 01

Business Foundation in a Wide Range of Fields

We, the Nichiban Group, have built a solid business foundation across a wide range of fields—from medical settings and various advanced industries to agriculture and distribution—based on our proprietary adhesive technology accumulated over many years, providing diverse and valuable products. Moving forward, we aim to maximize our capability to apply and expand technology and functionality, support people's health and comfortable living, and through products that actively support a wide variety of industries, always look toward the future and contribute to building an affluent society.

Strengths 02

Robust Supply Chain and Solid Customer Base

Our mission is to "respect people's cooperative relationships and strive to foster prosperity and happiness for all stakeholders of the NICHIBAN Group." We are working toward the rapid development and expansion of NICHIBAN products in Japan and more than 50 countries around the world through our highly reliable supply chain network in Japan and overseas, procurement leveraging an extensive customer base, sales capabilities and sales channel linkage, as well as market customer insight analysis and a market-oriented development promotion system. The NICHIBAN Group will accelerate the taking on of challenges in new fields to provide products to all customers throughout the world.



Product export destinations **50** countries



Strengths 03

Technology and Developments Originating in the Adhesive Field

Similar to life itself, good technology is always evolving. A technology is born, matures, and produces new technologies that are then passed on to the next generation. NICHIBAN has been refining new technologies since its establishment, with technologies originating in the field of adhesives and product development capabilities that create high added value.

As we look ahead to the future, we are conducting research daily to realize unprecedented advances in technology. This activity is NICHIBAN's lifeline as we aim to be a "trustworthy company."
To build a new future, we are also strengthening our collaborations with industry, government, and academia.

Strengths 04

Product Brands Built Up Over Many Years

NICHIBAN began with manufacturing and selling ointments, pastes and plasters, and has been contributing to comfort and abundance in people's lives through the provision of "sticky" products in a wide range of fields based on adhesive technologies accumulated through the development of adhesive plasters. NICHIBAN products are used in a variety of life scenarios. We provide various product brands that are the "perfect fit" for comfortable lifestyles, such as Self-Adhesive Cellulose Tapes, FAPRO™ (Tabanera™), CARELEAVES™, and ROIHI-TSUBOKO™. In 2018, we celebrated our 100th anniversary, and will continue to create new products and cultivate our brands for the next 100 years.

Chosen by customers for More than **100** years



NICHIBAN Group Value Creation Process

In line with our basic philosophy, the NICHIBAN Group co-creates new value with stakeholders by leveraging the six types of capital comprising the source of value creation for our strengths in adhesive technologies. Through this value creation process, we aim to contribute to a sustainable society, increase our resilience to global environmental changes, and enhance our corporate value over the medium to long term.

Basic Philosophy

NICHIBAN respects people's cooperative relationships and strives to foster prosperity and happiness for all stakeholders of NICHIBAN Group.

Inputs

FY2024 Results

Source of Value Creation

Manufacturing capital

Production system comprising mainly manufacturing business infrastructure and company-owned factories

- Manufacturing bases (Domestic factories: 3; Group companies: 3)
- Manufacturing capital (fixed asset balance): ¥29.4 billion
- Capital investment: ¥1.8 billion

Human capital

Promotion of human capital management

- Employees: 1,270 people (consolidated)
- Outside directors: 50.0%; Outside Audit & Supervisory Board members: 50.0%
- Average working years: 18.8 years (Non-consolidated)
- Job Turnover: 2.2% (Non-consolidated)
- Total training expenditures: ¥154 million (consolidated)
- Training expenditures per employee: ¥121,000 (consolidated)

Intellectual capital

Accumulation of technologies from its base of expertise in adhesive field

- Patents held: 93 items
- Registered designs: 58 items
- Research and development structure

Financial capital

Sound financial structure

- Equity ratio: 61.3%

Social and relationship capital

Connections in business development

- Bases (Domestic: 16 locations; Overseas: 3 locations)
- Product export destinations: approximately 50 countries
- Customer communications infrastructure, local communities

Natural capital

Contributions to the environment

- Use of naturally occurring raw materials
- Green power production: Green power certificate purchases 8,300 thousand kWh
- CO_2 reduction: 3,898 t-CO_2 reduction compared to previous year

Assessing Risks and Opportunities

Risks

1. Sluggish growth of existing products
2. Maturation of existing product lifecycle
3. Heightened need to address climate change
4. Others
   Rising prices and energy costs/product quality risks/intellectual property risks/yen depreciation risks

Opportunities

1. Expanded applicability in markets related to environmental and social issues
2. Growing new demand in consumer market
3. New markets overseas
4. Advancement of super aged society and transition to Community-based healthcare (home healthcare)

Business Model and Strengths P8

1. Ability to develop products leveraging product brands built over a long period of time
2. Ability to develop high added-value products based on technologies originating in the adhesives field
3. Ability to apply and deploy technologies and functions with a broad business base in the consumer, medical, and industrial fields
4. Ability to engage in procurement, sales, and channel connections through a highly reliable supply chain network and a broad customer base

Management Strategy

Medium- to Long-term Vision

NICHIBAN GROUP 2030 VISION

FY2030, Become a company that contributes globally with continuing to create value of sustaining a comfortable life!

01 | Contribution to a Sustainable Society
02 | Establishment of Firm Corporate Quality
03 | Active Promotion of Digital Transformation (DX)

New Products Ratio: 30%
Global Sales Ratio: 30%

Medium-term Management Plan "CREATION 2026"

01 Restructuring of the Business Portfolio
02 Globalization
03 Human Capital Management

2026 Targets

Targets
Net Sales: ¥53 billion Operating Income Margin: 8%
New Products Ratio: 15% Global Sales Ratio: 15%
ROE: 8% or higher

Foundation Supporting Value Creation P48

1. Corporate governance and internal controls
2. Quality management based on global best practices
3. Customer-centric marketing and development promotion organization
4. IT systems contributing to strategic data use and business productivity improvements
5. Human Capital Management

Outputs

FY2024 Results

Results Created through Business Activities

Financial Performance

1. Net Sales:	¥49.4 billion
2. Operating Income:	¥2.5 billion
3. ROE:	4.6%
4. New Products Ratio:	10.7% (New Medium-term Management Plan KPI)
5. Global Sales Ratio:	10.5% (New Medium-term Management Plan KPI)

Non-Financial Performance

1. Female Manager Ratio:	12.5% (consolidated)
2. Employee Engagement Score:	50.7% (Non-consolidated)
3. Annual Paid Leave Utilization Rate:	76.3% (consolidated)
4. CO_2 Emission Reduction Rate:	49.1% (compared to FY2013)

Outcomes

Created Value

1 Our Vision

- Realize the NICHIBAN Group Philosophy and Human Capital Management, and Achieve the 2030 VISION
- Create innovation contributing to the resolution of social issues
- Achieve Carbon Neutrality and Net Zero

2 Value to Stakeholders

- Contribute to Healthy and Comfortable Lifestyles (Customers)
- Enhance Corporate Value through Sustainable Growth (Shareholders and Investors)
- Enhance Corporate Value with Partners (Business Partners)
- Foster diverse employee growth and improve work-life balance (Employees)
- Contribute to regional revitalization (Local Communities)

Materiality

Key Sustainability Issues in Management

Climate change and global warming countermeasures/Development of products contributing to the resolution of environmental and social issues/Contributing to preventing the spread of infection diseases/Improving product quality and maintaining safety

Initiatives for Workplace Engagement Enhancement

Based on the results of the engagement survey, it was found that while the NICHIBAN Group has good communication within individual departments and effective work collaboration, many departments lack a sense of company-wide solidarity, and there are challenges in communication between different age groups and hierarchical levels. “Teamwork,” one of the five Action Guidelines that serve as the foundation of the NICHIBAN Group’s philosophy, is defined as “cooperate beyond organizational boundaries and see things through to completion.” To create a foundation for fostering the lacking horizontal connections, various new initiatives were implemented in FY 2024 and shared throughout the entire group. To achieve the “NICHIBAN GROUP 2030VISION,” an Engagement Enhancement Committee was established, and members of the “Workplace Engagement Enhancement Project,” selected from diverse departments and divisions of young employees, engaged in discussions to realize new initiatives and worked to enhance engagement.

Building relationships where people can express their opinions with confidence

Psychological Safety Workshop

Date: Held 4 times from August to December 2024
Participants: 112 people in total, including general managers, branch managers, section chiefs, and others



We believe that it is important for each employee to have “psychological safety” when collaborating with others to advance their work in their daily workplace. Therefore, we held a “Psychological Safety Workshop” bringing together general manager-level personnel who lead their workplaces. We invited an external instructor to learn about the interpretation of psychological safety and its importance, assessed the current state of each participant’s department, and discussed ideas for further revitalizing the workplace while ensuring psychological safety.

Key Learnings As a leader of one’s own department, review whether one’s approach provides reassurance to working colleagues.

Participants’ Feedback I would like to put this into practice myself and pass it on to my subordinates.

Deepening understanding and connection to work and the organization

Workplace Tour / Factory Visit for Sales Employees and Inter-departmental Exchange

Date: February 2025
Participants: Approximately 20 employees total from sales departments and indirect business departments, as well as factory employees

Employees from sales departments and indirect business departments have few opportunities to actually enter their own company’s factories, so we considered it important for them to understand how the products they sell to customers are manufactured. They toured the production processes of our flagship products: Self-Adhesive Cellulose Tapes, NICETACK™, and ROIHI-TSUBOKO™. After the tour, they were able to deepen their interactions with factory workers and build horizontal connections by discussing topics such as job satisfaction and challenges, as well as asking questions about each other’s work responsibilities.

Key Learnings

By understanding the product manufacturing process and comprehending and respecting the work and character of employees from other departments, we foster horizontal connections and a sense of unity.

Participants’ Feedback

Sales representatives commented, “Having learned about the product manufacturing process, I would like to recommend our products to customers with confidence.” Meanwhile, factory workers expressed opinions such as, “Hearing that the products we manufacture are in demand in the market made me want to focus even more on production.”



Manufacturing Department Members Participate in Stationery Exhibition

Date: February 2025
Participants: Total of 5 members from Anjo Factory, Saitama Factory, and Product Design Department

A total of 5 employees from Anjo Factory, Saitama Factory, and Product Design Department participated as “sales personnel” in a User Fair, a stationery exhibition attended by consumers. Prior to the event, there was a study session conducted by sales department employees where they learned about product knowledge and customer service methods. Although they initially appeared nervous when serving customers, they received comments from customers such as “I always use this” and “This is really good,” which renewed their sense of gratitude and sparked motivation to tackle their assigned duties in their own departments.

Key Learnings

By having members from both manufacturing and design departments, who do not have opportunities to interact with customers, participate in stationery exhibitions and provide explanations of company products, they can experience market reactions firsthand and apply this to their work.

Participants’ Feedback

I was able to directly learn about customer requests and expectations, so I would like to apply this to product development and manufacturing. Receiving comments such as “I use this” and “This is really good” made me feel a sense of proud.



Employee Growth Fostered by Diversity

Mid-Career Employee Interviews

Date: December 2024 **Participants:** 12 mid-career hires
Date: January 2025 **Participants:** 3 mid-career hires

The NICHIBAN Group has also seen an increase in mid-career employees (mid-career hires) as a recent trend. Since these individuals with experience and diverse skills from their previous jobs chose Nichiban over other companies, we wanted to create a good opportunity to reflect on “Nichiban’s strengths” by drawing out their frank opinions and perspectives through mutual interviews and sharing them through internal web articles and company newsletters. In addition to formal meetings, we also held lunch meetings and opinion exchange sessions where participants created their own “self-introduction trading cards.”

Key Learnings

“Insights” are discovered when members with “external perspectives” interact with project members.

Participants’ Feedback

Based on my previous experience, I was able to reaffirm what I want to accomplish going forward and the impact I want to have within the company.



Career Design Training for Permanent Employee Promotions

Date: March 2025
Participants: 18 people promoted from contract employees to full-time employees

Members from various departments nationwide who were promoted from contract employees to permanent employees gathered at the Anjo business site. After touring the manufacturing line of the pharmaceutical Anjo Factory and having lunch together, they attended career training conducted by an external instructor. During the factory tour, they learned anew that delivering products to customers requires many innovations and efforts, and experienced the rewards of being a manufacturing company’s employee. In the training, they learned about self-understanding and leveraging their own strengths, while also building connections with fellow participants.

Key Learnings

Realizing that they have become members of the manufacturer Nichiban, they reflect on their past and future careers.

Participants’ Feedback

Through the factory tour, I realized that I too am involved in work that creates products and delivers them to customers. By reflecting on my work, I re-recognized my own strengths and challenges, and was able to make concrete my future work and desired image of myself. I also made connections with other departments.



New Engagement Tours Established from FY 2025

The “Workplace Tours” (factory tours, sales exhibition participation, etc.) that were previously planned by the Workplace Engagement Enhancement Project secretariat will now be managed overall by the Corporate Planning Division as regular business activities and implemented on a routine basis. The “Workplace Tours” will be renamed “Engagement Tours,” and we will create a system for employees to participate in social contribution activities as well.

Objectives of Engagement Tours

- Employees experience environmental and social contribution activities and interact with various stakeholders
- Employees empathize with the company’s social contribution activities and realize our significance in society
- Strengthen connections beyond organizational boundaries by understanding the work of other departments
- Promote true teamwork by deepening mutual understanding among employees
- Gain new knowledge and perspectives through experiences and apply them to work

FY 2025 Engagement Tour Content (Planned)

- Advanced and Applied Research Institute Tour & Experience
- Product Design Department Tour & Experience
- Anjo Business Site Tour (Anjo Factory, Pharmaceutical Anjo Factory, Nichiban Techno)
- Saitama Business Site Tour (Saitama Factory, Nichiban Print)
- Stationery Exhibition Participation
- Customer Service Department Work Experience
- NICHIBAN Tape Core ECO Project Hiroshima Prefecture Tree Planting Experience
- NICHIBAN Tape Core ECO Project Visiting Lecture Experience
- Blind Soccer Experience (On-site venue)

Eligible Participants

All employees of Nichiban Co., Ltd., voluntary application system

1st Engagement Tour [Tree Planting Tour]

Voices from Tree Planting Tour Participants

On May 21, 2025, I participated in tree planting activities in the forest owned by Nippon Paper Industries Co., Ltd. in Hatsukaichi City, Hiroshima Prefecture. I knew that this activity was being conducted by the Corporate Planning Division as part of the Nichiban Core ECO Project, but when I heard for the first time that interested employees could participate, I applied. While I have some hiking experience, tree planting was of course my first time, and it was very challenging as it was drizzling and foggy that day, and the mountain slopes were steeper than I expected. However, I was able to work together with people from other departments whom I spoke with for the first time, and I also received lectures about forests and the natural environment, making it a very meaningful experience. I truly realized that the work of nurturing trees which prevent flood damage and serve as raw materials for paper and Self-Adhesive Cellulose Tapes is supported by a great many people.



Activities Participated In

Tree planting activities in Hiroshima Prefecture with 20 employees

May 21, 2025: 20 employees selected through voluntary application planted approximately 200 elite tree cedar saplings

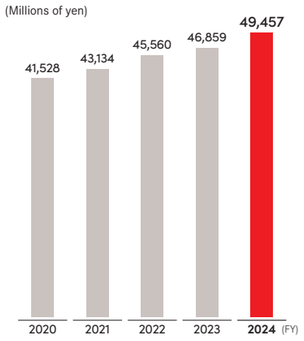
*Elite tree cedar has the following characteristics compared to standard cedar varieties: growth speed of 1.5 times or more, CO_2 absorption during growth process of 1.5 times or more, pollen volume of less than half, and above-average rigidity when processed into lumber.



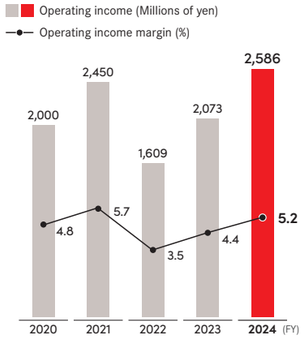
Financial and Non-financial Highlights

Financial Highlights (Consolidated)

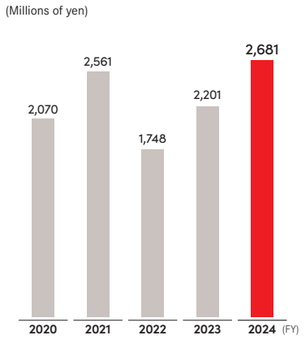
Net sales



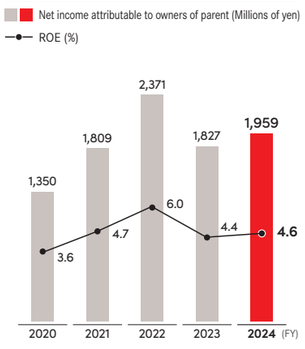
Operating income/ Operating income margin



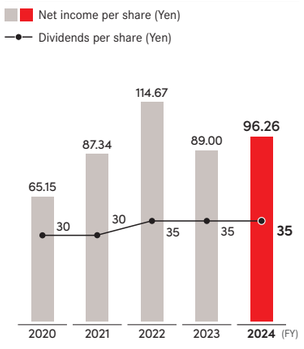
Ordinary income



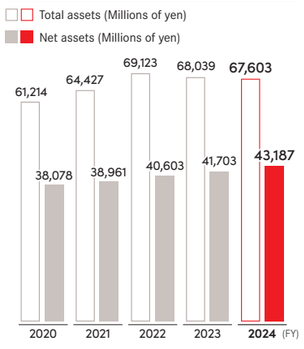
Net income attributable to owners of parent/ROE



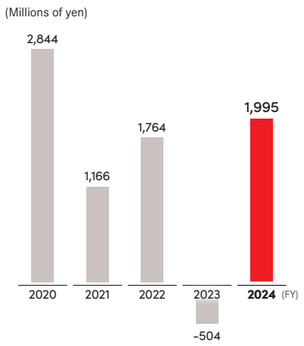
Net income per share/ Dividends per share



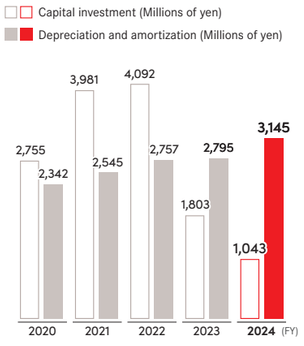
Total assets/Net assets



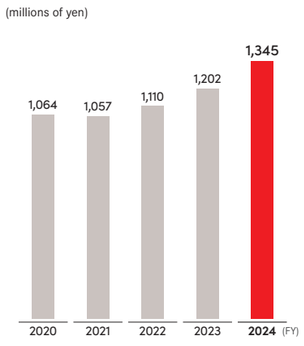
Free cash flows*1



Capital investment/ Depreciation and amortization



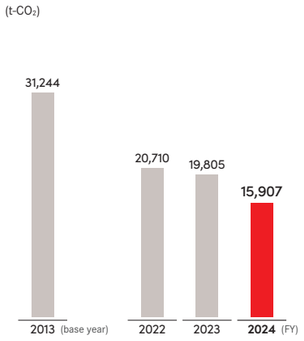
R&D expenses



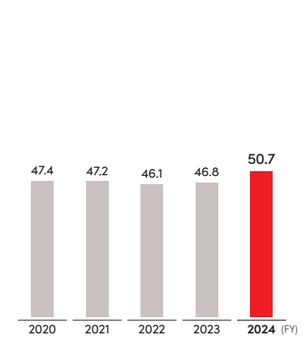
*1 Cash flows from operating activities + Cash flows from investing activities

Non-financial Highlights

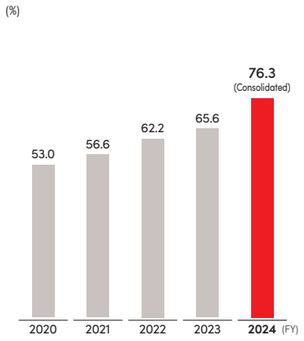
CO_2 emissions Scope 1 and 2 (Consolidated)*2



Employee Engagement Score (Non-consolidated)

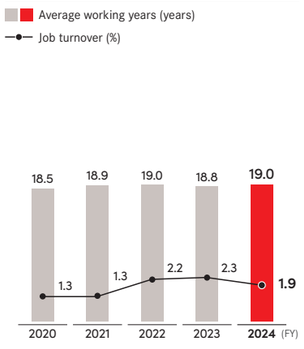


Annual Paid Leave Utilization Rate (Non-consolidated)

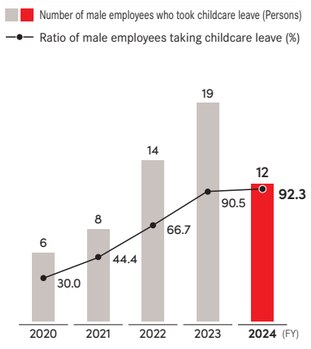


*2 Applies to NICHIBAN CO., LTD. and its domestic subsidiaries

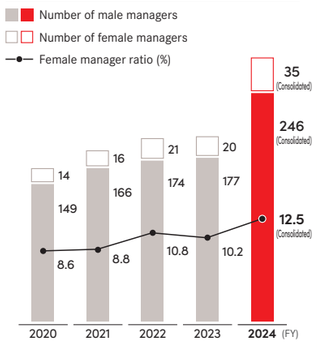
Average working years/ Job turnover (Non-consolidated)



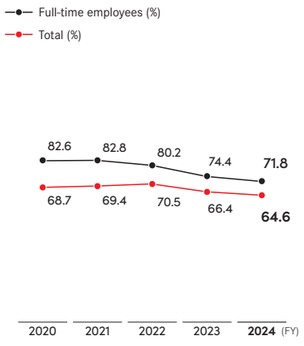
Ratio of male employees taking childcare leave (Non-consolidated)



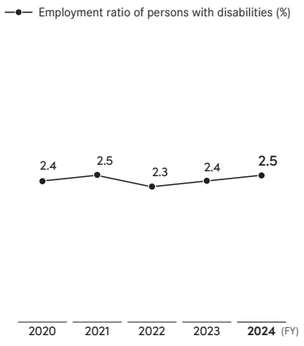
Female manager ratio (Non-consolidated)



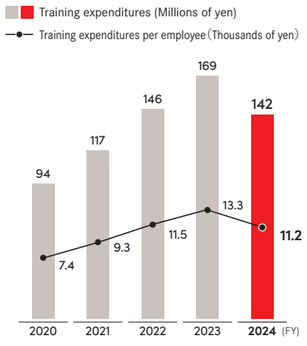
Gender pay gap (Non-consolidated)*3



Employment of persons with disabilities (Non-consolidated)



Total training expenditures/Training expenditures per employee (Consolidated)



*3 Ratio of female average salary to male average salary (annual salary) as 100

Medium-term Management Plan
We will steadily advance “CREATION 2026” and create new business structures and value.



President
Toshiaki Takatsu

In FY 2025, the second year of our Medium-term Management Plan “CREATION 2026, ”we will further promote “business portfolio restructuring,” “global corporate transformation,” and “human capital management,” and connect these efforts to tangible outcomes.

Please provide a review of the first year of the Medium-term Management Plan.

We progressed according to plan and achieved many results, including improvements in the profitability of our tape business.

To realize the “innovation creation” and “global contribution” set forth in our medium- to long-term vision “NICHIBAN GROUP 2030 VISION,” our Medium-term Management Plan “CREATION 2026” focuses on three key themes: “business portfolio restructuring,” “globalization,” and “human capital management,” as we work to create new business structures.

FY 2024, the first year of the plan, progressed generally according to plan, and sales for the fiscal year ended March 2025 reached a record high of ¥49.457 billion (up 5.5% year-on-year). Operating income was ¥2.586 billion, representing a 24.8% increase from the previous year. However, despite the strong performance in the first half that led to an upward revision of our earnings forecast during the fiscal year, we fell short of the revised targets. The factors contributing to this include concentrated discount responses associated with price revisions in the ROIHI™ series, the impact of year-end inventory valuation in the tape business, and proactive innovation investments accompanying the launch of industry-academia-government collaboration projects. We frankly acknowledge that falling short of the revised profit targets is a point that should be reflected upon.

On the other hand, we also achieved many results.

In “business portfolio restructuring,” we worked on price revision penetration, product line consolidation, and productivity improvements through production transfer from the Anjo Factory to the Saitama Factory in the tape business, resulting in significant profitability improvements. In the consumer segment, a growth area, our digital marketing strategy aimed at creating an environment where customers can “buy anytime, anywhere” proved successful for flagship products such as CARELEAVES™, leading to expanded sales. Furthermore, in new business domains, industry-academia-government collaboration projects with the University of Tokyo and Tohoku University were launched, and initiatives toward innovation creation began in earnest.

In “globalization,” we opened a representative office in Shanghai, China in July 2024 and began marketing activities to explore the potential for Nichiban products in the local market. We are collecting information on local regulations and potential partners on-site through the representative office. There has been growing interest in Japanese quality, with increased inquiries regarding adhesive bandages and masking tape, and we will continue our marketing activities centered on these products.

In “human capital management,” based on the belief that “a company is its people” and that employee growth leads to company growth, we actively engaged in human capital development. To cultivate the next generation of management, we launched the “Management Academy” and “General Manager Management Academy,” and deployed overseas assignment programs for developing global talent, including the “Global Challenge Program” and “Global Trainee System.” Many participants felt they gained company-wide and global perspectives, resulting in a change in mindset.

Please tell us about the initiatives for the second year of the Medium-term Management Plan.

We will steadily advance the three priority themes and begin formulating the next Medium-term Management Plan.

FY 2025, the second year of the Medium-term Management Plan “CREATION 2026,” has as its primary objective the steady advancement of initiatives under the three priority themes without stopping the momentum from the first year. We also plan to begin formulating the next Medium-term Management Plan from the second half of the year. Therefore, we position this fiscal year as a crucial year for connecting to the next Medium-term Management Plan by clearly demonstrating results that create new value.

The main initiatives for each priority theme are as follows:

❶ Business Portfolio Restructuring

In the tape business, the production transfer from the Anjo Factory to the Saitama Factory will be completed, and we will focus on further promoting low-cost operations and improving productivity. At the same time, we are actively working on developing products that generate new value and revenue, and through cross-departmental collaboration among research, design, technology, and sales divisions, we will advance product development that accurately captures the value customers seek.

In the consumer segment, which is a growth area, we anticipate that the demand for home medical care will continue to increase. For example, to meet customer needs such as “wanting to use the same products at home that were used in the hospital,” we will further strengthen product introduction into the OTC market, where Nichiban has long-standing business relationships, and expand into digital marketing utilizing e-commerce to enhance purchasing opportunities and improve convenience.

In new business domains, industry-academia-government collaboration projects have been launched, but long-term nurturing is crucial for these initiatives. For example, in our joint project with the University of Tokyo, we have established a collaborative course on next-generation wound care and are advancing research, which is expected to contribute to society if successfully commercialized in the future. Such new businesses not only foster the growth of project members but also serve as catalysts to enhance the spirit of challenge throughout the entire company, so we would like to carefully nurture them from a long-term perspective.

❷ Globalization

We will accelerate our full-scale entry into the Chinese market. We aim to clearly define our local strategy and expand our business by developing from a representative office to a sales company, and further to an operating company. In the European market, we will strengthen the provision of products that closely align with customer needs through initiatives centered on B-to-B products. Additionally, in the Southeast Asian market centered on Thailand, which is a priority region for our global business, we recognize the urgent need to build a supply chain that produces locally and delivers on time. We will actively consider various methods including M&A to expedite system development and aim to achieve a global business ratio of 30% by FY 2030.

❸ Human Capital Management

In November 2025, we plan to relocate and integrate our headquarters and Tokyo office. This aims to improve management efficiency and promote rapid decision-making, as well as enhance employee engagement through smoother internal communication and strengthened recruitment capabilities. Additionally, we introduced a new personnel system in April 2025. This system enables higher starting salaries, promotion of young employees to management positions, and active participation of employees under continuous employment arrangements, designed to provide opportunities regardless of age. To create new value, we will establish an environment where each employee can take on challenges.

We will steadily execute these priority theme initiatives, view net sales of ¥50 billion as a milestone, and aim to achieve the performance targets set forth in our Medium-term Management Plan. Through the formulation of the next Medium-term Management Plan starting from the second half of the year, we will envision a new future for NICHIBAN.

* There was a period when consolidated sales of ¥50 billion was set as the ultimate goal in past successive medium- to long-term management plans, but we are forecasting to exceed this figure and plan to announce this target in the next Medium-term Management Plan.

CREATION 2026
New Medium-term Management Plan

The Business Structure to Achieve Innovation Creation and Global Contributions

- A new business portfolio aimed at expanding corporate value
- Management, production, and SCM functions for globalization
- A human resource foundation based on human capital management

01 Restructuring of the Business Portfolio
1. Fundamental improvement in profitability in the Tape Business segment
2. Allocation of management resources to growth businesses and new business fields

02 Globalization
1. Pursue growth across the three sales bases
2. Expand functions to achieve a 30% global sales ratio by FY2030
3. Promote globalization across the entire Group

03 Human Capital Management
1. Promote Diversity, Equity & Inclusion (DE&I)
2. Foster autonomous human resources who drive self-transformation and growth
3. Improve employee health and engagement
4. Introduce a new human resources system

President Takatsu, please tell us about the ideal vision for Nichiban that you envision.

To a company where employees can proudly say “I’m glad I joined NICHIBAN.”

What I wish to achieve above all else is for NICHIBAN to become a company where all employees who work here can genuinely feel that “I’m glad I joined NICHIBAN.” I believe this should always remain the unwavering foundation, regardless of what new value our company creates or what businesses we develop in the future.

I myself have been with the company for 35 years. During that time, there have been many moments when I thought “I’m glad I joined Nichiban.” In particular, coming from a technical background, I felt the greatest joy when I could see products I had worked on displayed in stores and truly feel that they were helping customers. And now, when I hear young employees say things like “When I see our products on store shelves, I feel as affectionate toward them as if they were my own children,” I feel happy to sense their sense of fulfillment. I hope that as many employees as possible will experience the joy of feeling “I’m glad I joined NICHIBAN,” and that such moments will continue to increase.

As one indicator to measure these employee sentiments, we place great importance on engagement score. In FY 2024, I was extremely pleased that this score exceeded our target of 50 points. While engagement in our factory divisions had remained low amid major changes such as production transfers, management at the operational level took the lead in clarifying issues and implementing specific initiatives to address them. For example, in response to voices from young factory employees saying “We want to know how the products we manufacture are actually being evaluated,” an initiative was organized where factory employees visited the Tokyo office to hear directly from sales department members and customer service representatives. Through such efforts, engagement at the factories steadily improved. Even at the Anjo Factory, which transferred self-adhesive cellulose tapes production to the Saitama Factory, a positive atmosphere of “let’s create new products” has emerged. What was most impressive was that these were not initiatives directed by supervisors, but rather all arose from voluntary efforts at the operational level. I am convinced that this sense of ownership was a major contributor to the improvement in engagement.

I believe that creating an environment where each employee can assert “what they want to do” and take on challenges leads to sustainable growth as a company. By continuing to be a Nichiban that continuously creates new value, we aim to become a company where the sentiment “I’m glad I joined NICHIBAN” resonates not only with employees but also gains empathy from society as a whole.

Finally, please share a message for the stakeholders.

We will contribute to society through NICHIBAN’s adhesive technology that adheres to both “people” and “things.”

NICHIBAN contributes to society through its unique adhesive technology that encompasses both “technology for adhering to people” and “technology for adhering to objects.”

In “technology for adhering to people,” adhesive performance is required that can respond to individual differences in skin conditions and delicate skin that changes according to treatment stages. In this field, Nichiban has supported the health and daily lives of many people by providing safe and secure products, from medical settings to home care.

On the other hand, in “technology for adhering to objects,” while the materials, shapes, and surface conditions of adhesion targets are extremely diverse, Nichiban possesses high technical capabilities that can reliably respond to all of these variations. In recent years, the company has developed and launched tape that can adhere even to wet surfaces, earning high praise from the market.

At the core of these technologies lies the advanced adhesive technology that has been cultivated over many years. Nichiban’s greatest strength comes from the well-balanced functioning of both the Medical business, which handles “technology for adhering to people,” and the Tape business, which handles “technology for adhering to objects,” working together as two wheels of the company.

Of course, there is competition in each market, but NICHIBAN possesses brands such as Self-Adhesive Cellulose Tapes and CARELEAVES™, and has established solid competitive advantages through high quality and sincere manufacturing. Moving forward, we will continue to protect these brands, expand the possibilities of “adhesive technology,” and contribute to solving social challenges.

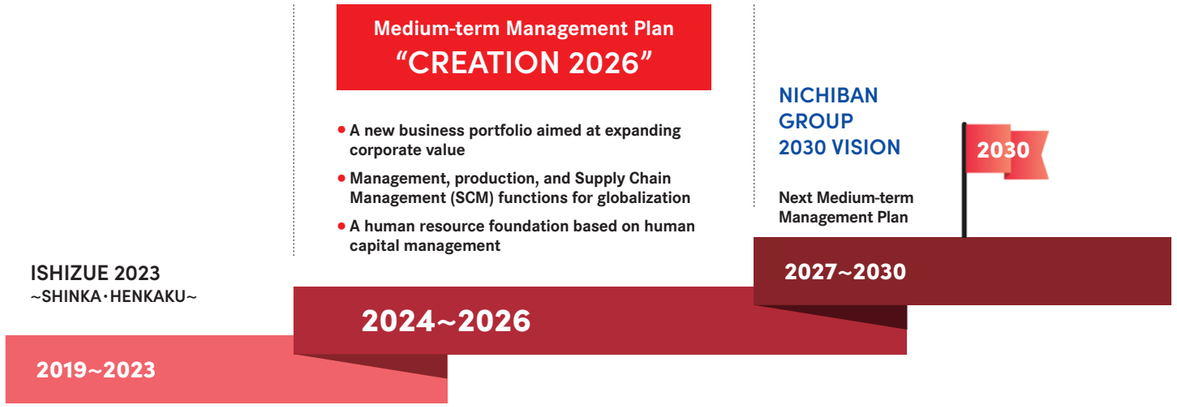
Through our currently ongoing medium-term management plan “CREATION 2026,” new value, new human capital, and new business structures are steadily emerging at NICHIBAN. We will continue to move forward toward sustainable growth while maintaining ongoing communication with all our stakeholders.



Medium-term Management Plan

CREATION 2026 Progress

The NICHIBAN Group has established "NICHIBAN GROUP 2030 VISION" as its goal to "Continue to create value that supports a comfortable life, and become a company that contributes globally!" During the five years of the previous medium-term management plan [ISHIZUE(foundation) 2023 ～SHINKA(evolution/deepening)・HENKAKU(reform)～], the external environment underwent significant changes, making future predictions difficult. However, the VISION that the NICHIBAN Group aims for remains unchanged. The medium-term management plan "CREATION 2026," which began in April 2024, is based on the concept of "creating a business structure that will drive innovation creation and global contributions over the next three years," and has established three priority themes to realize the "NICHIBAN GROUP 2030 VISION."



Priority Themes

01 Restructuring of the Business Portfolio

1. Fundamental Improvement in Profitability in the Tape Business Segment
2. Allocation of Management Resources to Growth Businesses and New Business Fields

02 Globalization

1. Pursue Growth of the Three Sales Bases
2. Expand Functions to Achieve a 30% Global Sales Ratio in FY2030
3. Promote Globalization Across the Entire Group

03 Human Capital Management

1. Promote Diversity , Equity & Inclusion (DE & I)
2. Develop Autonomous Human Resources Capable of Self-Transformation and Growth
3. Improve Employee Health and Engagement
4. Introduce a New Human Resources System

"CREATION 2026" Management Targets

Financial Items	FY2024 Targets	FY2024 Results	FY2025 Targets	FY2026 Targets
Sales (hundred million)	486	494	500	530
Operating Income (hundred million)	24	25	32	45
Ordinary Income (hundred million)	25	26	33	46
Current Period Net Income (hundred million)	19	19	25	35
ROE	–	4.6%	–	8% or higher
Global Ratio	–	10.5%	–	15%
New Product Ratio	–	10.7%	–	15%

Non-financial Items	FY2024 Results	FY2026 Targets
Ratio of Female Managers	12.5%	15%
Engagement Score	50.7	50
Annual Paid Leave Utilization	76.3%	70%
CO_2 Emission Reduction Rate (compared to FY2013)	49.1%	35%

CREATION 2026 priority themes

FY2024 Implementation Details

Restructuring of the Business Portfolio

(1) Fundamental Improvement in Profitability in the Tape Business Segment

Despite the challenging business environment of continued yen depreciation and soaring raw material prices, segment profit improved significantly as a result of swift and steady implementation of profitability improvement measures (price revisions, product line consolidation, and productivity enhancement).

(2) Allocation of Management Resources to Growth Businesses and New Business Fields

With an eye toward future growth, we strengthened industry-academia-government collaboration to accelerate the development of new technologies and new products in the medical device and industrial applications fields. (Established a "Social Collaboration Course" at the University of Tokyo, and began AMED (Japan Agency for Medical Research and Development)-funded research with Tohoku University's Institute of Development, Aging and Cancer).

Globalization (Globalization of corporations)

(1) Pursue Growth of the Three Sales Bases

In addition to the significant growth of "CARELEAVES™" in Korea, the expanded adoption of hemostatic bandages in Southeast Asia and Europe, as well as price revisions for various products, resulted in a substantial increase in consolidated net sales.

(2) Expand Functions to Achieve a 30% Global Sales Ratio in FY2030

In July 2024, we established a representative office in Shanghai and strengthened our sales and marketing activities based at this office to expand business in the Chinese market. We also positioned the Southeast Asian market as a priority region and began investigating and exploring supply chain management for future efficiency improvements and the establishment of a stable supply system.

(3) Promote Globalization Across the Entire Group

Within the "Management Academy," we implemented a global management human resource development program, and also continued to operate the global trainee system, dispatching young employees to Nichiban Europe.

Human Capital Management

(1) Promote Diversity , Equity & Inclusion (DE & I)

As part of initiatives to increase understanding of sexual minorities, we conducted LGBTQ training for management and general staff.

(2) Develop Autonomous Human Resources Capable of Self-Transformation and Growth

As next-generation executive development programs, we implemented the "Management Academy" for management-level staff and the "General Manager Management Academy" for department heads and department head candidates.

(3) Improve Employee Health and Engagement

We were certified as a "Health and Productivity Management Organization in Japan" in the large corporation category for three consecutive years under the Health and Productivity Management Organization in Japan certification system hosted by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. FY 2024 Engagement Survey Results: Achieved a score of 50.7 points (+3.9 points from the previous year). As a priority initiative, we conducted psychological safety training for department heads and organizational leaders.

(4) Introduce a New Human Resources System

We completed preparations for the introduction of a new personnel system and will begin its operation from April 1, 2025.

Financial Strategies



Through the steady execution of our financial policies, we aim to achieve sustainable growth by balancing strategic investments with shareholder returns.

Executive Director
Hironori Sakai

Basic Policy/Targets

By aligning with the strategic themes of the Medium to Long-term Vision, "NICHIBAN GROUP 2030 VISION," and the New Medium-term Management Plan, "CREATION 2026," we will drive our business with a focus on capital cost, aiming to improve profitability. Our goals for the fiscal year ending March 2027 (FY2026) are to achieve an ROE of 8% or higher and a PBR of 1x or higher.

Performance for the Fiscal Year Ending March 2025 and Review of the First Year of the Medium-Term Management Plan

The fiscal year ending March 2025 was a year in which inbound consumption remained robust, while energy prices and raw material costs continued to rise, maintaining pressure on manufacturing cost expansion. In this business environment, we achieved increased revenue and profit with consolidated sales of ¥49.457 billion (up 5.5% from the previous year) and operating income of ¥2.586 billion (up 24.8% from the previous year).

By segment, the medical business continued to serve as a stable source of revenue. Even as consumption trends among foreign visitors to Japan shifted from goods consumption to experience consumption, sales of ROIHI-TSUBOKO™ remained at high levels. Additionally, CARELEAVES™ expanded sales both domestically and internationally through increased recognition from advertising investment and strengthened collaboration with partner companies in the Korean market. Particularly in Japan, it achieved outstanding recognition and results, including becoming No. 1 in sales volume in the adhesive bandage market (*1) (*1 Intage SRI+ adhesive bandage market series total, sales volume from April 2021 to March 2024). As a result, the medical business segment achieved sales of ¥24.584 billion (up 8.1% from the previous year) and segment profit of ¥6.616 billion (up 8.5% from the previous year).

In the Tape business, which is undergoing structural reform, the effects of the previous year's price revisions, personnel reallocation, and the establishment of an optimal production system across all group companies proved successful. While segment sales increased 3.1% from the previous year to ¥24.873 billion, profit increased significantly by 145.9% from the previous year to ¥706 million, steadily demonstrating the results of the profit structure reform that is a pillar of "CREATION 2026." On the other hand, as a challenge, while we are promoting industry- academia-government collaboration related to the B-to-B field as innovation investment, this has not yet been reflected in short-term performance. Additionally, regarding investments including supply chain development toward becoming a global company, we recognize the need to proceed carefully yet boldly while balancing speed and risk.

Financial Strategy for the Second Year of the Medium-term Management Plan

Toward achieving the goals of our Medium-term Management Plan "CREATION 2026," our fundamental financial policy remains unchanged: to continue focusing on drastic profit improvement in the Tape business while strengthening resource allocation to Healthcare and Global businesses as growth drivers, securing stable profits, and directing those resources toward investment in other new fields. We will continue initiatives under this policy in fiscal 2025, the second year of the plan.

In particular, regarding the improvement of business profit structure, while raw material prices are expected to continue rising, the sales price revisions implemented in fiscal 2024 have contributed to current period performance throughout the year. The effects of the reallocation of human resources in sales that we implemented are also becoming apparent, and we are making progress in reorganizing toward an optimal production system for the entire group, including affiliated companies. We will continue this reorganization in the current period while developing mechanisms that turn negatives into profit generation, anticipating further improvement in profitability.

On the other hand, in fiscal 2025, temporary expenses are expected to occur due to the relocation and integration of the headquarters and Tokyo office, and ROE is projected to fall below the 5% level. Additionally, costs for reorganizing the tape production system will also temporarily pressure profits. However, these are all strategic investments to build a foundation for future growth, and without being constrained by short-term profits, we will promote value creation from a medium- to long-term perspective, aiming to achieve our financial targets of ROE of 8% or higher and PBR of 1x or higher.

Our company has historically maintained as part of its DNA a strong financial foundation through securing equity ratios and liquidity on hand. Given that this financial foundation has become considerably robust, we will pursue the optimal balance between strategic investment and shareholder returns, while also considering the utilization of appropriate financial leverage going forward.

Investment Strategy

We will promote the following priority investments within our "ESG + DX Investment Framework" and "New Business Development Investment Framework."

- Development of medical product production systems including solvent-free conversion at the Anjo Factory and removal/preparation work associated with manufacturing transfers
- Acceleration of DX including digitization of production and inspection records and improvement of data analysis capabilities utilizing AI
- Innovation investments that contribute to solving social challenges, such as the "Social Collaboration Course" with the University of Tokyo and "AMED-Utilized Research" with Tohoku University/Bio Research Institute
- Strategic investments including M&A for supply chain development that is essential for improving our global ratio

Through these investments and initiatives, we will accelerate the reconstruction of our business portfolio and achieve sustainable growth.

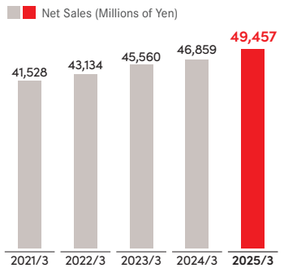
Regarding Shareholder Returns

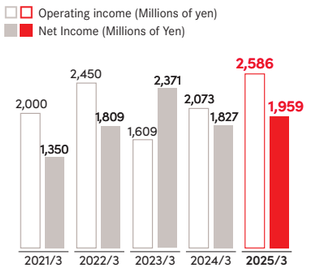
For shareholder returns, our basic policy is stable and performance-linked dividends, with a target consolidated dividend payout ratio of 30-40% as defined in our medium-term management plan.

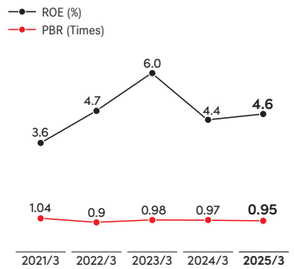
For the fiscal year ending March 2026 outlook, while consolidated net sales are expected to remain strong at ¥51.5 billion (up 4.1% from the previous year), on the profit side, due to the impact of temporary expenses associated with headquarters relocation and production system reorganization, operating income is projected at ¥3 billion (up 16.0% from the previous year), but net income is expected at ¥2 billion (up 2.1% slightly). Considering that these are short-term impacts, we plan an annual dividend of ¥40 per share, emphasizing further returns to our shareholders.

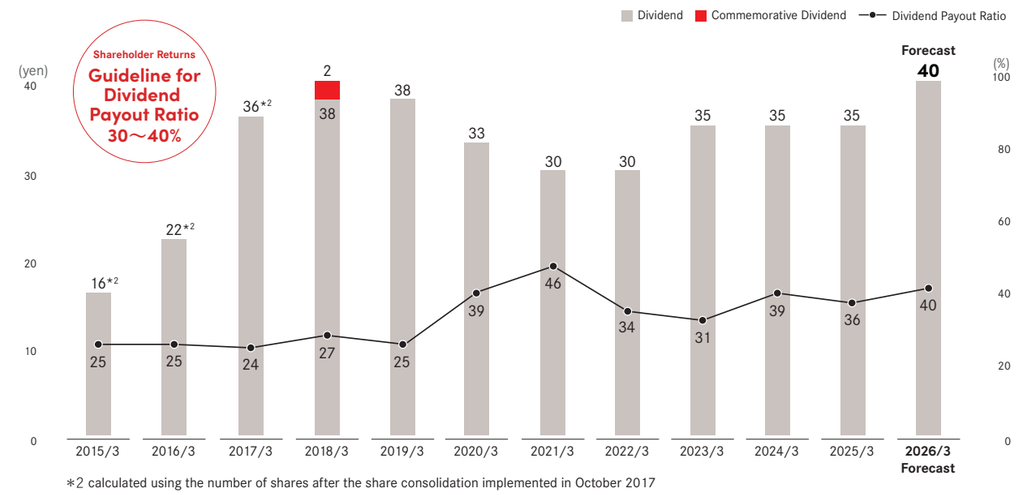
Regarding the acquisition of treasury shares, we will respond flexibly and dynamically while closely monitoring trends in policy- holding shares and market conditions.

We will continue to steadily promote financial strategies aimed at enhancing corporate value and work to meet the expectations of all our stakeholders.









*2 calculated using the number of shares after the share consolidation implemented in October 2017

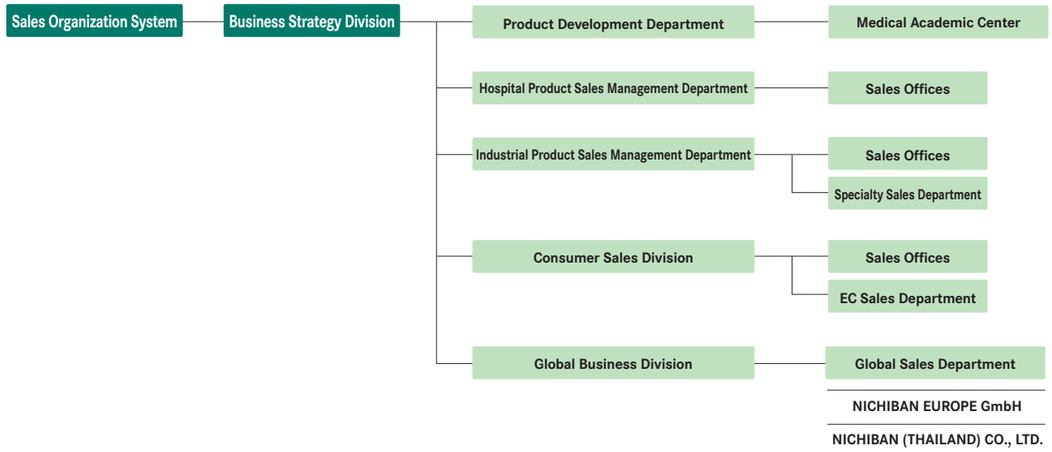
Segment Structure and Sales Organization System

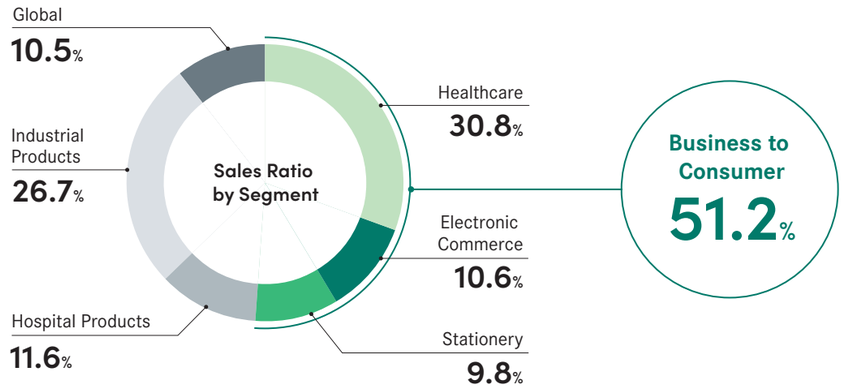


We will practice global business expansion through company-wide collaboration and coordination based on development as “purchasing behavior-oriented agile thinking strategy.”

Director, Managing Officer,
responsible for Sales and Development
General Manager of Business Strategy Division

Hideaki Hara





FY 2024 Results and Toward FY 2025

In FY 2024, we clarified the definition of new products as two axes: “market-oriented product innovation and production/technology innovation-oriented process innovation.” This has led to the establishment of a dual-axis approach in industry-government-academia and industry-industry collaboration, not only for new product output but also for market development and cultivation outcomes. As we enter the second year of our Medium-term Management Plan “CREATION 2026,” we will accelerate human capital management that fosters innovation awareness backed by technology, data, and evidence among all employees, alongside global business expansion. Through these initiatives, we will solidify the foundation for achieving sustainable growth across the entire company.

Progress of the Medium-term Management Plan

We will promote FY 2025 with a policy of deploying development-axis-based company-wide collaborative global business strategy, further evolving purchasing behavior-oriented business strategy through brand marketing and digital marketing as execution strategy and tactics. Toward 2030, along with the vision of ①30% new product composition ratio and ②30% global business ratio, we will add ③30% digital-responsive business composition ratio to respond to purchasing behavior changes accompanying the acceleration toward a digital society, and promote business strategy conscious of the three 30s.

Regarding Organizational Structure

To formulate and promote business strategies from a company-wide perspective more rapidly, strengthen collaboration and coordination across business fields including global operations, and reinforce digital marketing and e-commerce promotion systems to respond to diversifying purchasing behaviors, we will integrate and transfer business operations related to sales strategy planning, formulation, and execution from the Consumer Sales Division, the Hospital Product Sales Management Department, and the Industrial Product Sales Management Department to the Business Strategy Division. Additionally, we will establish a new representative office in Shanghai as a global business development base, in addition to Germany and Thailand, to promote global system strengthening toward achieving the “CREATION 2026” targets.

	Business Field		Segment		FY2024 Net Sales*1
			Medical Business	Tape Business	
Business Strategy Division	Consumer Sales Division	Healthcare Field	●		15,243 million yen
		EC Field	●	●	5,250 million yen
		Stationery Field		●	4,840 million yen
	Hospital Product Field		●		5,740 million yen
	Industrial Product Field			●	13,189 million yen
	Global Field		●	●	5,192 million yen

*1 Sales before adjustments

Consumer

Consumer Sales Division
(Healthcare Field, Stationery Field, EC Field)

By demonstrating true teamwork, strengthening activities based on customer-centricity, executing strategies speedily, creating new value, we will promote the continuous growth of the consumer business.



Senior Operating Officer,
Consumer Sales Division
General Manager
Isao Nakamura

Overview of FY2024 Results and Strategy for FY2025

The Consumer Sales Division operates across three fields to contribute to customers' comfortable and convenient lives through daily efforts: the Healthcare Field, which primarily develops medical products under brands such as CARELEAVES™ series, high-performance emergency bandages, ROIHI-TSUBOKO™, analgesic anti-inflammatory patches, battlewin™ Taping Tapes, and Dear Kitchen™ kitchen accessories; the Stationery Field, which develops office supplies including our flagship product Self-Adhesive Cellulose Tapes and NICETACK™ Double-Sided Tapes; and the EC Field, which distributes both product categories through mail-order business and e-commerce platforms. In FY2024, we addressed the continued domestic demand in the OTC pharmaceutical market and inbound consumption by foreign visitors to Japan, implemented price revisions primarily in the stationery and office supplies market, and strengthened our web marketing initiatives in the e-commerce market. Amid these environmental changes, we reinforced our efforts to integrate physical and digital channels and promoted digital marketing, achieving net sales of 105% compared to the previous year. In FY2025, we will continue to promote this initiative, focusing on efforts to improve the profitability in the tape business and new product development for our consumer product lines, with the aim of reaching even more customers.

Healthcare Field

FY 2024 Results and Toward FY 2025

In the Healthcare Field, we actively deployed promotions aimed at expanding domestic demand and improving recognition for the CARELEAVES series, centered on CARELEAVES™ Hydrocolloid, and worked to capture inbound demand corresponding to the increase in foreign visitors to Japan and expand domestic demand for ROIHI-TSUBOKO™. For the battlewin™ protector series, we promoted proposal activities for use not only in sports but also in daily life, and sales exceeded the previous year. In FY2025, we will promote the continued growth of our healthcare business by strengthening customer-centric activities and executing strategies with speed, focusing on our three major brands - CARELEAVES™, ROIHI™, and battlewin™ as well as including the renewed kitchen tool brand Dear Kitchen series.

Progress of the Medium-term Management Plan

In the first year of our Medium-term Management Plan "CREATION 2026," our first aid bandages business as a growth segment significantly exceeded targets as the CARELEAVES series actively deployed PR activities utilizing advertising media such as TV commercials, and our market share in the emergency bandage market increased. In the analgesic anti-inflammatory business, ROIHI-TSUBOKO™ experienced expansion in domestic demand along with sustained high levels of inbound demand. In the fourth quarter, we implemented price revisions for ROIHI-TSUBOKO™ to strengthen our profit structure. ROIHI™ Loxoprofen achieved its targets while we focused our efforts on this product. We will continue to advance the strategic utilization of digital marketing centered on our priority brands and work toward achieving the goals of "CREATION 2026."











Stationery Field

FY 2024 Results and Toward FY 2025

In the stationery and office supplies market, we faced a challenging sales environment due to consumer sentiment cooling from inflation, significant reductions in paper consumption from digitalization, declining office demand, and changes in consumer purchasing destinations with the expansion of online purchasing, leading to continued sluggish demand for stationery and office supplies as well as changes in retail channels. For our main products Self-Adhesive Cellulose Tapes and NICETACK™ Double-Sided Tapes, sales remained at the previous year's level through price revisions and PR activities. In FY2025, we will promote environmental and SDGs initiatives through Self-Adhesive Cellulose Tapes and advance digital marketing, proposing product usage scenarios to enhance appeal. We will also strengthen our efforts to integrate physical and digital channels, advance our online business initiatives, and expand retail channels.

Progress of the Medium-term Management Plan

As progress on our Medium-term Management Plan "CREATION 2026" in FY2024, amid consumer sentiment cooling due to market inflation, we have actively promoted the integration of physical and digital channels by responding to diversifying sales channels and changes in purchasing behavior, as well as strengthening our online business initiatives. Through price revisions for Self-Adhesive Cellulose Tapes, a key product for fundamental profitability improvement in the tape business segment, we achieved improved profitability. As first-year results, we achieved targets for both sales and gross profit. We will continue to contribute to further fundamental profitability improvement in the tape business segment through efficient and effective initiatives, promotion of digital marketing, and expansion of new retail channels in both physical stores and online business.







EC Field

FY 2024 Results and Toward FY 2025

The EC Field saw strong demand for core product lines including flagship products such as Self-Adhesive Cellulose Tapes and NICETACK™ by implementing price revisions and strengthening web marketing for online purchasing in response to diversifying sales channels and changes in purchasing behavior, amid consumer sentiment cooling due to inflation. The high-performance adhesive bandage CARELEAVES series and post-operative scar care tape Atofine™ also exceeded sales from the same period in the previous year through strengthened web marketing initiatives, resulting in overall field sales of 113% compared to the previous year. In 2025, we will continue to promote digital marketing and will speedily implement initiatives aimed at expanding sales of medical product lines in particular.

Progress of the Medium-term Management Plan

As progress on our Medium-term Management Plan "CREATION 2026" in FY2024, even in the EC Field amid consumer sentiment cooling due to inflation, we responded to diversifying sales channels and changes in purchasing behavior by creating retail opportunities that allow purchases anytime, anywhere, while enhancing optimal retail environments that are easier to understand and purchase from. Through promoting digital marketing to deliver products to more customers and contribute to comfortable and convenient lives, we achieved targets for both sales and gross profit. We will continue to strengthen our efforts on medical product lines as a growth business, particularly advancing initiatives to expand home healthcare-related products, creating new demand and contributing to expansion into growth businesses.







Hospital Product Field

Hospital Product Sales Management Department

We aim to be a company that continues to contribute to building a sustainable regional healthcare system. By enhancing communication both within and outside the company and creating new value, we will realize solutions to challenges in medical settings.



Senior Operating Officer, Business Strategy Division, General Manager and General Manager of Hospital Product Sales Management Department

Takashi Kawakita

FY 2024 Results and Toward FY 2025

In FY2024, within the hemostatic bandages series "Cesablic™," CHUSHAVAN™ struggled and fell below the previous year due to decreased vaccination numbers. On the other hand, KUTTUKU BANDAGE™, a self-adhesive bandage belonging to hemostatic bandages, significantly exceeded the previous year's results as disposable demand expanded due to heightened infection prevention awareness. Additionally, in the post-surgical total care series "Ascablic™," Atofine™ greatly exceeded the previous year due to increased patient awareness of scar care. Furthermore, the Wound Care Dressing CATHEREEPLUS series launched high-value-added products for pediatric use, receiving high evaluation from medical settings. Looking toward FY2025, we will strengthen solution-oriented proposals that can genuinely contribute to solving challenges in medical settings, and work to promote products that are useful in areas such as "infection prevention measures," "improving patient QOL (quality of life)," "medical safety," and "improving productivity in medical settings." To achieve this, we will utilize all channels including academic conferences and digital platforms to deliver timely, up-to-date information to regional medical settings.

Progress of the Medium-term Management Plan

In our Medium-term Management Plan, the hospital product field focuses on product development that can contribute to a sustainable society through healthcare and high-value-added proposals. In FY2024, we launched new products in the KUTTUKU BANDAGE™ and CATHEREEPLUS series that can contribute to "medical safety" and "improving productivity in medical settings." Currently, medical facilities face increasingly severe business environments due to rising prices and energy costs, as well as increased personnel costs from work style reforms. Under these circumstances, we are contributing to building a sustainable healthcare system by promoting new value to medical settings through proposals centered on new products. Furthermore, we are actively promoting the construction of an efficient information delivery system utilizing digital technology to broadly and rapidly deliver product value.







Industrial Product Field

Industrial Product Sales Management Department

Through transformation toward sustainable products and activities conscious of environmental contribution, we will promote business portfolio management while establishing a sustainable innovation creation system.



Senior Operating Officer, Business Strategy Division, General Manager and General Manager of Industrial Product Sales Management Department

Takaaki Hikita

FY 2024 Results and Toward FY 2025

In FY2024, sales conditions in the Industrial Product Field performed favorably, centered on heat-resistant masking products, due to recovery in automobile manufacturers' production volumes and increased new adoptions. In the electrical equipment-related field, adoption of new technology products has also increased. For our main product Self-Adhesive Cellulose Tapes, we continued to widely promote its status as an environmentally conscious product using natural materials through newspaper advertisements and dedicated websites, gaining support from even more companies as part of their SDGs initiatives. However, sales of packaging tapes including Self-Adhesive Cellulose Tapes remained uncertain, with sales declining 0.4% compared to the previous year. The Industrial Product Field as a whole achieved a 0.8% increase compared to the previous year. We will promote process innovation as a response to cost increases due to rising raw material and energy prices. In FY2025, we will strengthen sales in new fields, focus on new value creation activities and new product development, and provide even greater services to our customers.

Progress of the Medium-term Management Plan

The Industrial Product Field focuses on creating new demand in the construction field and mobility sectors including electronics, leveraging our unique adhesive technology cultivated over many years to address challenges in various industries. We are also putting effort into realizing a speedy development system and creating new value through industry-government-academia collaboration. As an environmentally conscious product, Self-Adhesive Cellulose Tapes promotes SDGs initiatives targeting commercial users such as distribution and retail stores, working to expand sales of related environmentally conscious products while appealing to environmental value. Furthermore, to address profitability deterioration due to rising raw material and energy prices, we are working to expand sales of new products that contribute to profitability improvement and achieve improvements through continuous cost reduction and price revisions.





Global Field

Global Business Division

The Nichiban Group will promote a localization strategy that firmly responds to customer needs in each region by improving global business execution capabilities, ensuring the reliable achievement of sustainable growth.



Managing Officer
General Manager of
Global Business Division
Satoru Ito

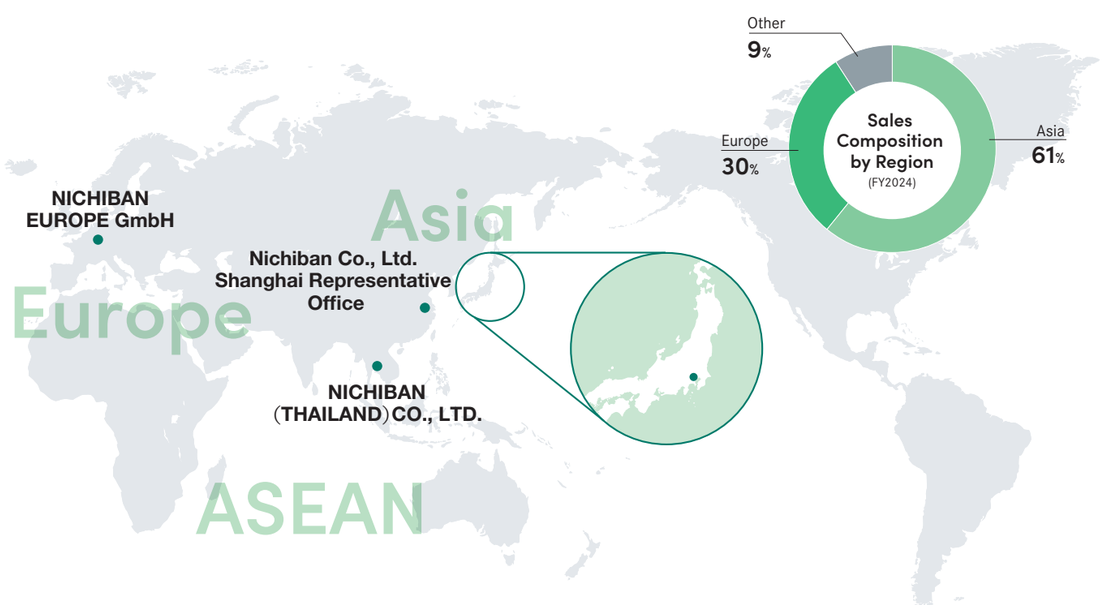
Global Business Division

FY 2024 Results and Toward FY 2025

Global business results in FY2024 achieved a 29.9% increase in consolidated sales compared to the previous year due to recovery from distribution inventory adjustments that occurred in the previous year and aggressive expansion of medical products, exceeding 5 billion yen for the first time. As a result, sales reached 5,192 million yen. CARELEAVES™ sales in particular were driven by the Korean market, increasing 88.2% compared to the previous year. In FY2025, we plan to fully launch e-commerce and local market entry into the Chinese market by leveraging collaboration with the Shanghai representative office established in the previous year. Additionally, the Global Sales Department will actively strengthen initiatives in Thailand for the ASEAN market, Europe for the European market, and Korea and Taiwan for the Korea-Taiwan markets.

Progress of the Medium-term Management Plan

To build the foundation for achieving a 30% global business ratio and become a global company, the Global Business Division is focused on growth at four sales locations, establishment of a global supply chain management system, and global human resource development. In the previous year, we strengthened and upgraded location functions through internal audits. We also obtained our first overseas pharmaceutical approval and advanced localized development through cooperation with related departments. Furthermore, we realized new overseas production introduction products and introduced a trainee system in Europe as part of global human resource development. In FY2025, we will continue to work on location growth, organizational system strengthening, and human resource development from a global perspective.



Global Sales Department

FY 2024 Results and Toward FY 2025

The Global Sales Department primarily covers Asian countries, and FY2024 sales increased significantly compared to the previous year. The background to this growth includes actively collaborating with sales agents for our flagship product first aid bandages (CARELEAVES™) in Korea, which is a priority market. Furthermore, in China, which we position as a priority market, we opened a representative office in Shanghai in July 2024. Through this office, we are confirming local needs for medical materials and construction washi masking tape, and promoting proposals accordingly. We are also conducting market research for future new product development.



Shanghai Representative Office

Progress of the Medium-term Management Plan

This department positions Korea and China as the most important markets, focusing on improving recognition of both product brands and corporate brands. In Korea, we are expanding sales of first aid bandages (CARELEAVES™) and advancing deployment of new products. Meanwhile, in China, we are working in collaboration with the Shanghai representative office to expand sales of medical materials and masking tape, while engaging in new product introduction and development of new sales channels. Through these initiatives, we aim to increase the global business ratio to 30% by FY2030.



The TV commercial for the Korean market version of CAREAVES™ was broadcast in Korea.

NICHIBAN (THAILAND) CO., LTD.

FY 2024 Results and Toward FY 2025

Nichiban Thailand actively expanded its activities in FY2024, targeting markets from Southeast Asia to the Middle East. As a result, we maintained and expanded relationships with existing customers while developing new customers, achieving sales that exceeded the previous year. We also began sales of “NICHICARE” surgical tape, a new overseas production introduction product, establishing a system to meet market needs. In FY2025, we aim to promote market expansion of medical products with “NICHICARE” as the foundation.

*NICHICARE is a trademark of Nichiban Co., Ltd.



NICHIBAN (THAILAND)

Progress of the Medium-term Management Plan

Nichiban Thailand has further strengthened its cooperative system with local partners and actively participates in events such as academic conferences and exhibitions. Through these activities, we have fully implemented customer service by local personnel and are advancing organizational restructuring according to the field of each product to realize more specialized customer support. We are particularly accelerating the transition to medical products, deploying aggressive approaches to emerging markets centered on surgical tape. These initiatives also contribute to improving recognition of both product brands and corporate brands, aiming to enhance corporate value.

NICHIBAN EUROPE GmbH

FY 2024 Results and Toward FY 2025

Nichiban Europe handles business from Europe to African countries, with tape product sales performing steadily. Medical products also performed well, achieving results that significantly exceeded the previous year. In FY2025, we will further strengthen our management foundation. Specifically, we will work on business stabilization, financial improvement, and strengthening internal controls. Additionally, we will conduct sales activities that respond to local needs through localization and construction of educational programs. Through this, we will adapt to European regulations and develop highly reliable, regionally-focused business operations.



MEDICA2024

Progress of the Medium-term Management Plan

Nichiban Europe will celebrate its 5th anniversary in 2025. In FY2024, we steadily increased sales and achieved dividend distribution. We also relocated to a new office aiming for business expansion and improvement of the working environment. To strengthen our financial and corporate foundation, we are working on strengthening internal controls while preparing for tax audits. Furthermore, we are promoting organizational and product localization and advancing human resource development to conduct business operations that respond to regional needs in cooperation with distributors, aiming for sustainable growth.

Research and Development

～Sticking to your needs～

Building on the NICHIBAN Group's strength in adhesive technologies, we will contribute to a sustainable society and comfortable living through the development of technologies and products that help solve environmental and social issues.

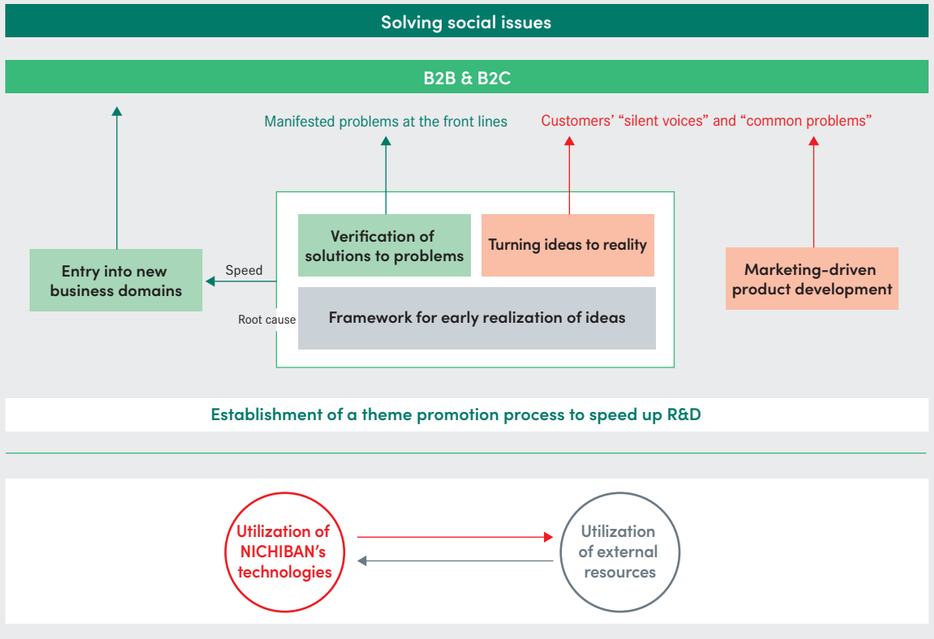


Senior Operating Officer
General Manager of Research and Development Division
Kazuhisa Okai

R&D Policy

Adhesive products, which are the core business of the Nichiban Group, require various functions such as appropriate adhesive strength, weather resistance, usability, moisture permeability, and low irritation. Leveraging technology cultivated over many years, we manufacture products by combining optimal adhesive and substrate design, selection and adjustment of various raw materials, coating technology, release technology, and processing technology. Utilizing these technologies, we aim to continue developing and providing high-function, high-value-added products to support comfortable living. Furthermore, we will continue contributing to society by actively challenging new fields and providing products that meet the needs of more people.

R&D Flow to Speed Up Processes



FY 2024 Results and Toward FY 2025

In FY2024, the first year of our Medium-term Management Plan "CREATION 2026," we worked on developing and selling new products in each field, achieving a new product sales ratio of 10.7%, a significant increase from the previous year. We have also focused on creating new products from research results of new technologies and have achieved results. Additionally, centered on the Innovation Center established in FY2021, we are advancing exploration of new businesses and proceeding with studies toward commercialization. Furthermore, we are conducting cross-departmental innovation training and focusing on developing innovation personnel. In FY2025, we will further advance internal and external initiatives toward new value creation, human resource development, and social contribution. We are also beginning revision of the invention reward system and on-site embedded work of intellectual property rights department members in technical departments, aiming to promote and expand intellectual property rights applications. Through these initiatives, we will contribute to the sustainable growth and development of our company.

Progress of the Medium-term Management Plan

In our Medium-term Management Plan "CREATION 2026," we are conducting new market development and business promotion with a focus on growth expansion of healthcare and global businesses, challenges in new areas such as medical, construction, and mobility fields, and new product development and sustainable social contribution. Specifically, we are working toward the following three innovations.

Product Innovation:	● Creation of new businesses based on customer needs and promotion of global expansion ● Application of medical and industrial product technologies to consumer markets ● Collaboration among development, sales, and technical/production departments for rapid development
Process Innovation:	● Development of new products through the introduction of new production methods and solvent-free technologies ● Initiatives to reduce environmental impact and improve productivity
Open Innovation:	● Creation of value in new areas through the integration of NICHIBAN's core technologies with new technologies and services ● Development of innovative solutions to address social issues ● Promotion of alliances, startups, and industry-government-academia collaborations by leveraging domestic and overseas resources

Through these initiatives, we have established the social collaboration course "Next-Generation Wound Care Development" at The University of Tokyo. This course aims to provide next-generation wound care solutions suitable for chronic wounds by combining research results on chronic wounds at The University of Tokyo with Nichiban's technologies over a five-year period starting from FY2025.

Additionally, we have begun the second year of the research and development project under the Japan Agency for Medical Research and Development (AMED) research theme "Creation of Wound Dressings Containing Nano-type Lactic Acid Bacteria to Shorten Healing Time for Chronic Wounds," in collaboration with Tohoku University and Bio-Ken Co., Ltd.

In addition to this, we are advancing collaboration in new fields through industry-academia-government and industry-industry-academia partnerships, striving to enhance corporate value while aiming for sustainable growth and development.

Intellectual Capital Initiatives

Nichiban creates various products by leveraging technology cultivated through research and development, positioning the intellectual property rights obtained from these research and development activities as important management resources. While prioritizing respect for third-party intellectual property rights, we promote the expansion of intellectual property in collaboration with each department to protect our products, technologies, and profits, making it an element that supports sustainable growth. Internally, we are working on promoting intellectual property education and acquiring intellectual property rights suitable for overseas expansion. Furthermore, we are advancing the construction of a system that supports research and development to promote innovation creation through collaboration with external parties.

NICHIBAN Group Sustainability

The NICHIBAN Group Philosophy is, "NICHIBAN respects people's cooperative relationships and strives to foster prosperity and happiness for all stakeholders of the NICHIBAN Group." Underlying this philosophy is the concept of first creating an environment in which employees can feel happy, and then connecting that happiness to all stakeholders. Sustainability in the NICHIBAN Group is built on the realization of a philosophy that has been passed down continuously since its founding.

Promotion Structure

To live up to the expectations of its stakeholders and the requirements of society, the NICHIBAN Group has established a Sustainability Committee, chaired by the Director in charge of CSR, to review and deliberate on basic policies, material issues, risks, and opportunities related to sustainability. Agenda items covered by the Sustainability Committee are reported to the Board of Directors once per year, while the Board of Directors provides oversight and direction. Business continuity risks attributable to climate change that have been identified by the Sustainability Committee are reviewed at the BCP Committee for specific countermeasures.

Significant Matters Considered by the Sustainability Committee

Management of appropriate non-financial information disclosure	Management of carbon dioxide (CO_2) emission reduction initiatives	Management of human capital management

FY 2024 Sustainability Committee

Session	Content	Session	Content
Session 1	Confirmation of climate-related information disclosure content based on TCFD recommendations for FY2024 Confirmation of GHG emission reduction targets in the medium-term business plan	Report to Board of Directors	Decisions made by the Sustainability Committee
Session 2	Confirmation of the direction for sustainability disclosure in FY2025 Confirmation of ESG external evaluation results and direction for FY2025	Training	"Decarbonization Training" conducted for executives serving as trainers

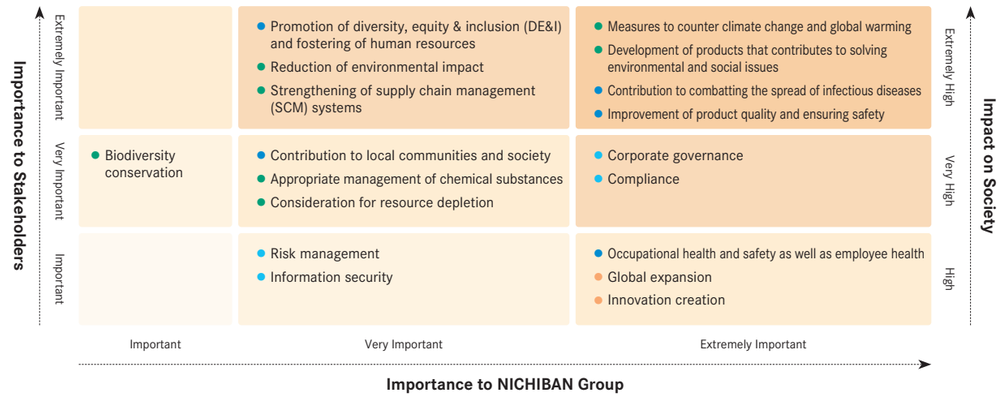
Management

From FY2022, NICHIBAN has newly formulated a Human Rights Policy, a Health and Productivity Management Policy, and a Purchasing Policy which are related to sustainability and the SDGs. These include various measures targeted not only at society but also at the attainment of the health and happiness of the NICHIBAN Group employees.

For sustainability-related policies, please refer to our website. Related site links

Identification of Materiality

Material issues impacted by the NICHIBAN Group business activities were reorganized and mapped along with material issues for stakeholders. As a result, we have positioned measures to combat climate change and global warming, development of products that contribute to solving environmental and social issues, contribution to infection prevention measures, and improvement of product quality and assurance of safety as exceptionally important for both stakeholders and the NICHIBAN Group.



Materiality Identification Process

Based on the concept of sustainability, we have identified themes that are particularly critical for management to achieve the "NICHIBAN GROUP 2030 VISION" in three steps.

These themes are chosen based on the NICHIBAN Group value chain, being mindful of their importance in our businesses as well as of the requirements and expectations of society.

1 Extraction of issues

Initial evaluation items for social issues were extracted based on evaluation items and various guidelines from SDGs and ESG evaluation agencies.

2 Selection of important themes that need to be addressed by the Nichiban Group

Selection incorporating opinions from external stakeholders

3 Inhouse approval

Deliberation and approval by The Management Strategy Committee and the Board of Directors

Target KPIs and Actual Results

Materiality		Target KPIs and Actual Results: Tangible action points	FY 2024 Results	FY2025 Targets	Relevant SDGs
Environment	**Developing products that contribute to solving environmental and social issues**	Formulation of development criteria for products that contribute to solving environmental and social issues Promote environmentally friendly development themes and new product development Contribute to further environmental issues by increasing the proportion of natural materials in products	Participation in the Ministry of the Environment's "Model Project for Product and Service Carbon Footprints" Received "Excellence Award" at the 25th Green Purchasing Awards Continued solvent-free development of existing products Environmental impact reduction through development of the following products: • SEKOTAN adhesive tape for wet concrete • Barcode concealing tape • Non-fluorine-based water repellent	Continue development of environmentally-friendly products • Products that reduce environmental impact through reduced man-hours • Non-fluorine-based water repellent	
	Reduction of environmental impact	Continued operation of ISO 14001 environmental management system and implementation of audits Reduction of solvent usage through creation of new technologies Disclosure of environmental information	Continued ISO14001 certification Published Integrated Report 2024 (Japanese and English) Disclosed information based on TCFD recommendations Related site links	Maintain ISO14001 and improve management level and quality Publish Integrated Report 2025 (Japanese and English) Reduce energy consumption Reduce plastic emissions	
	Appropriate management of chemical substances	Promote green procurement of raw materials	Green procurement promotion and response to chemical substance survey requests	Promotion of green procurement and continuous response to customer requests for product chemical substance content surveys Implementation of appropriate chemical substance management in manufacturing processes	
	Measures to counter climate change and global warming	Reducing CO_2 emissions across the NICHIBAN Group Increasing the ratio of green electricity and install solar power generation facilities	Disclosed information based on TCFD recommendations Scope 1, 2, 3 disclosure Related site links	Detailed enhancement and expansion of non-financial information disclosure	
	Consideration for resource depletion	Reduction of waste through effective use of raw materials Efficient use of water and management of wastewater treatment Conversion from thermal recycling to recycling	Maintained zero emission factory Water resource input reduction Recycling of release liner to recycled paper Continued technical experiments for product waste material recycling	Maintenance of zero emission factories Reduction of water resource input Exploration of recycling technologies	
	Biodiversity conservation	Tape Core ECO Project Afforestation activities and Gounogawa "forest drop" conservation activities	"15th Nichiban Tape Core ECO Project" implemented	Continued implementation of the Nichiban Tape Core ECO Project Improvement of contribution level and enhanced engagement with NGOs	

Target KPIs and Results

	Materiality	Specific Actions	FY 2024 Results	FY2025 Targets	Relevant SDGs
Society	**Improving product quality and ensuring safety**	Continuing operation of ISO 9001 quality management system and implementation of audits Improving customer satisfaction Begin introducing new core systems for strategic data utilization and improved internal business productivity Promoting company-wide improvement activities	Continued ISO9001 certification Start of building customer information feedback system for key products in sales strategy measures Start of digitalization of work records at production sites Implementation of company-wide improvement activities	Continued ISO9001 and ISO13485 certification Construction of customer information feedback system for key products in sales strategy measures Promotion of digitalization at production sites Continuation of company-wide improvement activities Promotion of quality culture development activities	
	Addressing occupational health and safety as well as employee health	Promotion of health and productivity management and KPI management	Certified as Health and Productivity Management Organization in Japan 2025 Disclosure of health management strategy map, indicators and actual performance values Related site links	Implementation of human capital management and KPI management Certified as Health and Productivity Management Organization in Japan 2026	3 GOOD HEALTH AND WELL-BEING
	Promotion of Diversity, Equity & Inclusion (DE&I) and Fostering of Human Resources	Promoting women's activities and employment of people with disabilities Promoting initiatives to improve engagement and strengthen organizational management Redeveloping of the medium-term human resources development system and improvement of necessary skills using the technical skills map	Ratio of Female Managers: 12.5% (consolidated) Engagement score 50.7 (Non-consolidated) Annual Paid Leave Utilization Rate: 76.3% (consolidated)	Achievement and maintenance of employment rate for people with disabilities and workplace development for mutual growth Continuation of engagement improvement project Established system for employees to participate in environmental and social contribution activities Obtained Platinum Kurumin certification Implementation of human capital management and KPI management •Engagement score 50 or higher (Non-consolidated) •Annual paid leave utilization rate 70% or higher (consolidated)	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
	Strengthening Supply Chain Management (SCM) systems	Strengthening engagement with raw material sources and suppliers (human rights and environmental issues) Enforcement of our purchasing policy	Achieved improved loading efficiency in response to logistics and environmental issues	Started research for creating comprehensive ESG questionnaire	10 REDUCED INEQUALITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Contributing to local communities and society	Communication activities with local communities around our business sites Educational activities by visiting classes at elementary schools Support for people with disabilities Fostering the development of trainers for athletes Providing support through official suppliers and awareness-raising activities on taping techniques to prevent injuries	Held "SOCCER MEDICAL CAMP" development project with the Japan Football Association (public interest incorporated foundation) targeting those aiming to become athletic trainers involved in soccer Cleaning activities at business sites Elementary school outreach classes at 23 schools SDGs awareness classes at 1 high school	Continuation of "SOCCER MEDICAL CAMP" Cleaning activities at business sites Continuation of elementary school outreach classes Continuation of SDGs awareness classes at high schools Operation of STEPS workplace for people with disabilities	
	Contribution to medical care	Contributing to infection prevention through adhesive plasters, hemostatic products, and dressings	Contribution through hemostatic bandages for influenza and other vaccine injections Promotion of first aid bandages in Japan centered on "CARELEAVES™" Promotion of first aid bandage supply centered in South Korea	Stable supply and promotion of first aid bandages and hemostatic bandages globally as infection prevention products	
Governance	**Corporate governance**	Developing internal control systems	Internal Control Committee held 3 times Internal Control Sub-committee held 4 times Internal audit of overseas subsidiaries conducted Group company liaison meetings held (domestic 2 times, overseas 2 times)	Strengthening autonomous internal control and risk management in each department and group company Strengthening governance including global perspective	
	Compliance	Disseminating compliance (action handbook, education through e-learning) Enhancement of whistle-blowing contact points	Created and implemented awareness activities for behavioral handbook Conducted harassment counselor training Started global hotline coverage for Shanghai representative office	Strengthening compliance across the entire group Preparation of documents for global corporate transformation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Risk management	Implementation of emergency response training Development of a stable supply system based on BCP/BCM	Conducted "company-wide emergency response headquarters training" Held BCP Committee meetings (twice a year)	Continued implementation of "company-wide emergency response headquarters training" Establishment and maintenance of business continuity plan based on BCP basic policy	
	Information security	Establishment of IT control systems	Held IT strategy meetings (4 times a year) Conducted security education and phishing email training	Implementation of corporate activities in accordance with IT security policy and further improvement of management level	
Business Innovation	**Innovation Creation**	Restructuring our R&D organizations Promoting collaborative programs for start-ups Effective use of in-house technology inventory Making use of the NICHIBAN Group's internal proposal system	Participated in open innovation events with startup companies, started some collaboration themes Conducted innovation training Participated in industry-academia-government collaboration consortium Started collaboration themes "Nbrain" proposal count: 40 cases New product ratio 10.7% actual performance against 15% target for FY 2026	Promotion of further open innovation in industry-academia-government collaboration and new fields KPI management of product innovation ratio as new indicator Planned launch of new products toward 15% new product ratio in 2026 Internal human resource development through continued innovation training	3 GOOD HEALTH AND WELL-BEING 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Speedy development and expansion into global markets	Promote new development activities worldwide, including in NICHIBAN (East Asia and Oceania), NICHIBAN (THAILAND) (Southeast Asia and the Middle East) and NICHIBAN EUROPE (Europe) Search and selection of strategic partners in priority regions (business alliances, M&A)	Overseas hemostatic bandages, "CARELEAVES™" Increase in retail outlets and products handled Expanded sales of FSC® certified washi masking tape in Europe (License code: FSC®-C183983) Compliance research for European environmental packaging labeling regulations	Increase in overseas hemostatic bandages and "CARELEAVES™" retail outlets and products handled Expanded sales of FSC® certified washi masking tape (License code: FSC®-C183983) Internal response decision for European environmental packaging labeling regulations	17 PARTNERSHIPS FOR THE GOALS

PICK UP

Initiatives Through the Value Chain

Self-Adhesive Cellulose Tapes Realizing an Eco-Cycle

Plant-Derived Self-Adhesive Cellulose Tapes

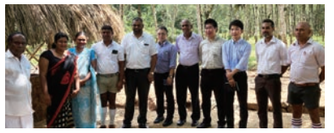
For over 70 years, NICHIBAN has been committed to creating environmentally friendly, circular ecology products with a focus on customer health and safe living.

NICHIBAN's Self-Adhesive Cellulose Tapes are products with over 70 years of history, and their raw materials and manufacturing methods have remained unchanged over the decades. However, to meet societal demands, the product itself has continued to evolve. Specifically, as part of our efforts to address climate change, we now use 100% green electricity, and we conduct human rights due diligence at the source of our raw materials. Additionally, by promoting environmental value through co-creation with other companies and tackling challenges through open innovation, NICHIBAN's Self-Adhesive Cellulose Tapes continue to evolve while maintaining their quality and pursuing social value.

Raw Materials・Production

Human Rights Due Diligence

In November 2023, we visited a natural rubber plantation in Sri Lanka, with a focus on investigating child labor and working conditions. The investigation confirmed that no child labor was found, and that there are daycare centers and hospitals near worker residences, ensuring a safe and conducive working environment.



Main Raw Materials are Natural Materials

The cellophane used in Self-Adhesive Cellulose Tapes is made from wood chips sourced from managed forests, the adhesive is primarily composed of natural materials such as natural rubber and resin, and the core is made from recycled paper. Self-Adhesive Cellulose Tapes is a certified product with the "Biomass Mark" by the Japan Organics Recycling Association.



100% Green Electricity Production

To achieve 100% green electricity for the production of Self-Adhesive Cellulose Tapes and cellophane-based adhesive tapes within the NICHIBAN Group and its affiliates, we purchase green power certificates corresponding to the electricity used for production from Japan Natural Energy Company Limited.

FY2023 Purchase Volume: 8,300 [MWh]
Power Generation Method: Biomass

Collection

Social Contribution Using Waste Materials

We provide scraps of Self-Adhesive Cellulose Tapes to the certified NPO Kanazawa Art Gummi, where they are used in Children's Art Studio to support creative activities.



OpenInnovation

Challenging the Reuse of Waste Materials

Starting in fiscal 2023, we began collaborating with startup companies to realize a circular economy by utilizing scraps generated in the manufacturing process of Self-Adhesive Cellulose Tapes.





Sales

Related site links

Number of Supporting Companies and Organizations: 155

As of the end of May 2025

Small Action for the Future

We aim to provide a healthy and safe environment for future generations by offering plant-derived Self-Adhesive Cellulose Tapes. We encourage the switch from plastic-based tape to plant-based products and have embarked on new environmental initiatives through "Partnerships," aligning with the 17th SDG goal.

Collection

Afforestation Efforts Both Domestically and Internationally Using Profits from Tape Core Collection

Since 2010, we have been implementing NICHIBAN Tape Core ECO Project, collecting tape cores from adhesive tapes and using the funds from their purchase by waste paper recycling companies along with support funds from Nichiban to plant mangroves in the Philippines in cooperation with the specified non-profit organization IKAW-AKO. (The collected tape cores include products other than Self-Adhesive Cellulose Tapes). As of FY 2021, the estimated CO_2 fixation amount by the increased mangroves is 532-937 [t-CO_2/year]. We also conducted domestic tree planting activities (Forest Drops Conservation Activities) in Hatsukaichi City, Hiroshima Prefecture in May 2025 (This was the 5th domestic tree planting activity).



Initiatives for Quality and the Environment

With contribution to a sustainable society and establishment of solid corporate quality as the foundation of our management, we will continue to evolve into a company that creates value supporting comfortable living and contributes globally.

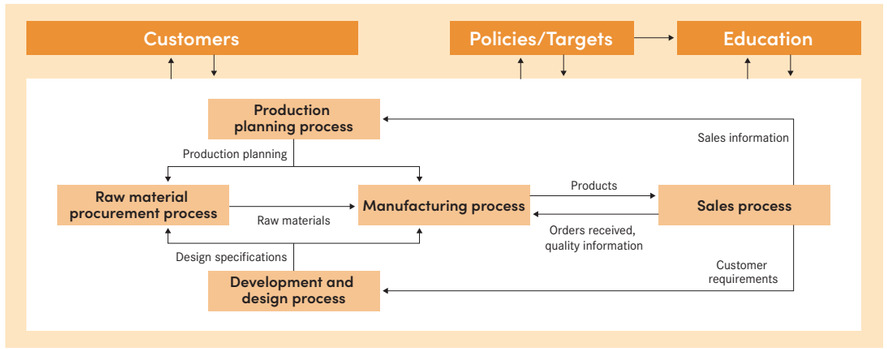


Senior Operating Officer
General Manager of
Quality Assurance Division
Takemasa Kokubo

Under our basic philosophy that “Nichiban strives to foster prosperity and happiness for all stakeholders of the Nichiban Group,” we contribute to people’s comfortable living by delivering products to a wide range of fields based on adhesive technology. Furthermore, we are advancing initiatives to build a sustainable society by aiming for coexistence between society and nature through various business activities. Our initiatives to contribute to environmental and social issues include reducing environmental impact at all stages of business activities from product design through raw material procurement, production, sales, and disposal, chemical substance management, climate change and global warming countermeasures, consideration for resource depletion, and biodiversity conservation. As corporate responsibilities, all employees will advance environmental impact reduction throughout the entire product lifecycle.

Quality initiatives

The Nichiban Group promotes the development of quality human resources through quality culture development activities, advancing employee quality awareness improvement and establishment of solid corporate quality. Additionally, aiming to improve customer satisfaction, we optimally manage and operate the following five processes (development and design process, raw material procurement process, production planning process, manufacturing process, and sales process) based on the quality management system ISO9001 standard.



Environmental Initiatives

The NICHIBAN Group places great importance on environmental management and is focused on contributing to a resource circulation society. Through ISO14001 certification, we promote global environmental conservation by managing legal requirements and environmental impacts, setting targets, systematically executing plans, and continuously improving based on result evaluations. As a result of these efforts, in 2023, we successfully reduced CO_2 emissions by 905 tons (approximately 4.4%) compared to the previous year. Through the NICHIBAN Group’s commitment to the environment and proactive improvement efforts, we aim for sustainable business operations and continue to contribute to the planet.



Environmental Accounting

NICHIBAN has conducted its own environmental accounting since FY1999 to calculate environmental costs and their effects. These efforts target the Headquarters, three domestic factories, and three domestic Group companies, covering a period starting on April 1 through March 31 of the following year. Further, environmental costs are tabulated by dividing them into two categories, capital investments and expenses. Capital investments include the amount of investment related to environmental conservation. Expenses include labor costs related to the research and development of eco-friendly products and environmental conservation activities, as well as the depreciation of equipment used in environmental conservation activities.

Please refer to the environmental-related links below for more details.

Environmental Conservation Costs (Thousands of Yen)

Classification		Main activities	FY2023 Capital Investment	FY2023 Expenses	FY 2024 Capital Investment	FY 2024 Expenses
1. Business area costs		Environmental conservation costs to reduce environmental impact	554,074	659,830	171,094	896,501
Breakdown	1.1 Pollution prevention costs	Costs for pollution prevention (air pollution, water pollution, etc.)	103,489	178,475	28,642	232,946
Breakdown	1.2 Global environmental conservation costs	Costs for global environmental protection (prevention of global warming, energy saving, etc.)	235,348	250,682	138,462	444,548
Breakdown	1.3 Resource recycling costs	Costs for effective use of resources and recycling and proper disposal of waste	215,236	230,673	3,990	219,007
2. Upstream/downstream costs		Green purchasing and green procurement costs Recycling costs for product containers and packaging	16,780	14,705	0	14,832
3. Management activity costs		Costs for operating and maintaining the environmental management system Expenses for environmental information disclosure and environmental advertising Costs for monitoring and managing environmental impact	0	126,351	0	126,034
4. R&D costs		Labor costs for developing environmentally friendly products Costs for developing environmentally friendly products	0	139	0	0
5. Social activity costs		Environmental activity costs for local communities Donations to environmental organizations	0	22,250	0	22,253
6. Cost for dealing with environmental damage		Insurance premiums for environmental pollution (air pollution, soil pollution, etc.)	0	0	0	0
Total			570,854	823,275	171,094	1,059,620

Environmental Conservation Effects

Environmental Conservation Effects	Environmental Impact Indicators		
Effect contents	Environmental Impact for FY2023	Environmental Impact for FY2024	Year-over-Year Environmental Impact Change and Effect
CO_2 emissions in Scope 1 and 2 (t-CO_2)	Total Emissions : 19,805	Total Emissions : 15,907	Total Emissions : -3,898
Waste generated (t)	4,555	4,316	-239
Water usage (thousand m^3)	514	405	-109
Emissions of PRTR substances (total) (t)	565	513	-52
Other effects (Reduction of organic solvent usage)	Environmental target: Achieved 29.7% reduction in organic solvent usage in FY2024 compared to FY2019, exceeding the target of 20% reduction		

* The calculation scope for waste generation was changed from FY2023

Environmental-Related Links

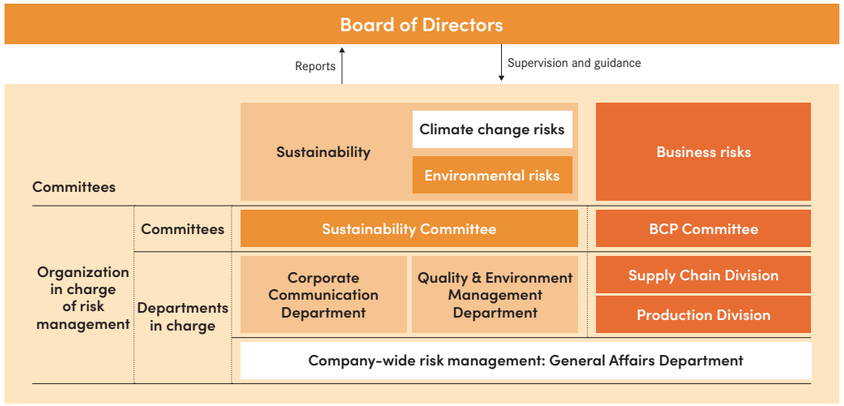
Environmental Management System　ISO14001 Certification Acquisition/Environmental Impact Data/Environ-mental Accounting/Toward the Realization of a Decarbonized Society/Energy Conservation/Environmental Impact Reduction/Utilization of Green Power Certificates/Coexistence with Nature/Initiatives Related to Chemical Sub-stances/Factory Data

Climate-Related Disclosure Based on TCFD Recommendations

The NICHIBAN Group Philosophy is to “respect people’s cooperative relationships and strive to foster prosperity and happiness for all stakeholders.” In line with this philosophy, in order to meet stakeholder expectations and the demands of society, we have defined materiality in our “Concept of Sustainability” and have identified climate change and global warming countermeasures as our highest priorities.

The NICHIBAN Group discloses information based on the four pillars recommended by the Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, and Metrics and Targets. We will continue to enhance these disclosure efforts going forward.

Risk Management Structure



- The Sustainability Committee, chaired by the Director in charge of CSR, is established to review and deliberate basic policies, important issues, and risks and opportunities related to climate change.
- Climate change-related studies are conducted under the auspices of the Sustainability Committee, which submits and reports its findings to the Board of Directors once a year, with the Board of Directors providing oversight and guidance.
- Agenda items deliberated and resolved by the Board of Directors are implemented in each division and reflected in their respective management plans and business operations.

Strategy

Perceiving climate change as one medium- to long-term risk facing the NICHIBAN Group, and to consider strategies and organizational resilience in light of related risks and opportunities, we referred to climate change scenarios (<2°C scenario and 4°C scenario*) proposed by the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) to consider the long-term impact on NICHIBAN up to 2050, and conducted scenario analysis for our domestic medical and tape businesses, which account for a large portion of sales.

Note: The <2°C scenario assumes measures such as tighter regulations and market changes are implemented to minimize temperature increases.
The 4°C scenario assumes rising temperatures will result in extreme weather and other physical impacts.

Risk management

NICHIBAN established a working group on climate change risks to conduct scenario analysis. To prioritize climate-related risks, we will focus efforts on key risk factors, taking into consideration the likelihood of occurrence and magnitude of impact that risks and opportunities have on NICHIBAN. The Sustainability Committee will continuously confirm these risk factors going forward. As a process for managing climate-related risks, the Corporate Communication Department serves as the secretariat for the Sustainability Committee, analyzing climate-related risks, formulating and promoting countermeasures, and managing progress through the Sustainability Committee.

The details analyzed and reviewed by the Sustainability Committee are reported to the Board of Directors for company-wide integrated risk management.

Scenario	Factor	Change	Risk/ Opportunity	Degree of impact	Impact on NICHIBAN	NICHIBAN countermeasures
2°C (Transition)	Introduction of carbon taxes	Increased procurement costs for raw materials and secondary materials	Risk	↓	The company’s profits are being squeezed by passing on the cost of raw materials and secondary materials such as substrates, resins, and rubber, which have high emissions per unit	Reduce procurement costs and pass on costs by strengthening procurement functions through procurement conditions and supplier revisions, etc.
		Increased operating costs	Risk	↓	Carbon taxes will put downward pressure on profits	Reduce energy consumption by reorganizing production bases and introducing new processing methods
	Strengthening of various regulations including GHG emission regulations	Increased operating costs due to purchase of certificates and other environmental value	Risk	↓	Increased costs of purchasing certificates, etc., will put downward pressure on profits	Reduce purchase costs through price negotiations for environmental value and diversification of suppliers. External PR focused on renewable energy initiatives
		Increase in facility upgrade costs	Risk	↓	Increased financial burden due to new capital investments for decarbonization (achieving CO_2 emission targets) and restructuring of production bases will put downward pressure on profits	Reduce costs by introducing comprehensive determination criteria for CO_2 emissions and environmental impacts. Level capital investments, etc., based on long-term investment plans
	Growing awareness of environmental considerations	Growing demand for natural products	Opportunity	↑	We can expect an increase in the domestic sales of products derived from natural materials in the fields of home offices, e-commerce, and industrial products (results of impact estimates as of FY2023)	Intend to improve brand value by appealing the environmental contribution value of products made from naturally derived materials (Self-Adhesive Cellulose Tapes, etc.)
		Increased demand for environmentally friendly products	Opportunity	↑	By quantifying the environmental life cycle impact from procurement, design, and manufacturing, we will increase sales by promoting switching through the development and strengthening of sales of products with high environmental value	Promote NICHIBAN initiatives for material sustainability issues Promote product development and strengthen sales of environmentally friendly products Introduce low environmental impact evaluation into product development
	Investor emphasis on ESG	Growing importance of addressing climate change and disclosure	Risk	↓	Delays in disclosing information on efforts to address climate change, etc., will lead to lower investor evaluations	Maintain implementation of appropriate climate change initiatives and information disclosure
4°C (Physical)	Increased frequency of severe disasters	Increased demand for tapes and sheets for disaster prevention, repair, and temporary fixes	Opportunity	↑	Sales of tape products used for disaster prevention, etc., will increase	Develop and promote sales of products that prepare for severe disasters
		Increased risk of temporary production stoppages due to disasters	Risk	↓	The results of the Aqueduct floods rcp8.5 scenario analysis confirmed that none of these scenarios are damaging at this time	Ongoing response through established Business Continuity Plan (BCP)
	Decrease in production of raw materials derived from natural resources due to climate change	Increased risk of production stoppages	Risk	↓	Profits will be adversely impacted by production stoppages due to difficulties in procuring materials necessary for production	Diversify raw material suppliers

Metrics and Targets

- In order to assess and manage the impact of climate-related issues on management, we use total greenhouse gas (GHG) emissions (CO_2) falling under Scope 1, Scope 2, and Scope 3, as an indicator.
- Targets and results for Scope 1, Scope 2, and Scope 3 are disclosed for NICHIBAN and its domestic subsidiaries.
- In addition to existing efforts, major CO_2 emissions reduction efforts will be studied and sequentially disclosed in light of cost and effectiveness in order to contribute to a decarbonized society.

2024 Scope 1,2 CO_2 emissions

Scope1,2 (t-CO_2)		FY 2024
Scope 1 energy-derived		9,698
Scope 1 non-energy-derived		1,902
Scope 1 total		11,600
Scope 2 total (before offset)		7,892
Scope 1,2 total emissions (before offset)		19,492
Reduction amount through green power certificate offset	Nichiban Co., Ltd.	3,585
	Nichiban Medical Corp.	0
	Total	3,585
Scope 2 (after offset)		4,307
Scope 1,2 net emissions (after offset)		15,907
Reduction rate compared to previous year		19.7%
Reduction rate compared to FY 2013 (FY 2013 emissions 31,244 t-CO_2)		49.1%

FY 2024 Scope 3 CO_2 emissions

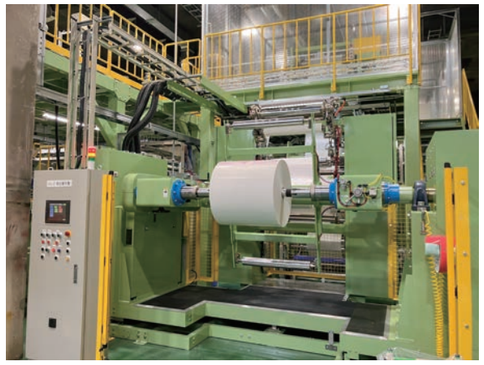
Scope3 (t-CO_2)		FY 2024
Category 1	Purchased products and services	219,346
Category 2	Capital goods	2,982
Category 3	Fuel and energy activities not included in Scope 1,2	4,195
Category 4	Transportation and delivery (upstream)	10,441
Category 5	Waste generated from operations	8,479
Category 6	Business travel	490
Category 7	Employee commuting	963
Category 8	Leased assets (upstream)	-
Category 9	Transportation and delivery (downstream)	1,689
Category 10	Processing of sold products	-
Category 11	Use of sold products	-
Category 12	Disposal of sold products	4,844
Category 13	Leased assets (downstream)	-
Category 14	Franchises	-
Category 15	Investments	-
Total emissions (t-CO_2)		253,429

TOPICS

Environmental and Social Contribution Activities

Solvent Usage Reduction and Efforts Toward Solvent-Free Processes

At the Anjo Factory, production has started for the new NICETACK™ and FAPRO™ (Tabanera™) products using a hot-melt method that does not involve the use of organic solvents. This initiative is expected to reduce CO_2 emissions to approximately one-fifth of those from existing processes. The product was developed over more than 10 years of research and development at the Anjo Factory, with a strong emphasis on environmental consideration. The introduction of this solvent-free method is expected to contribute to global environmental conservation and improve product quality. Through these innovative efforts, we aim to contribute to creating a more environmentally friendly society.



Received “Excellence Award” at the 25th Green Purchasing Awards

At the “25th Green Purchasing Awards” (hosted by Green Purchasing Network), which recognizes organizations working to promote and expand “green purchasing,” we received the Excellence Award (Large Company Division). This award was given in recognition of the fact that Nichiban’s Self-Adhesive Cellulose Tapes uses naturally-derived main raw materials and has excellent environmental performance, that 100% renewable energy is achieved for manufacturing electricity, and that the “Nichiban Tape Core ECO Project” activities, which have been continuously implemented since 2010, contribute to improving the environmental value of products.

25th Green Purchasing Awards Excellence Award received

GPN Green Purchasing Network ®

＊The Nichiban Group is committed to promoting and expanding green purchasing.

NICHIBAN Tape Core ECO Project

Focusing on the “tape cores” that were being discarded after adhesive tape products were used in people’s daily lives, we started a project to utilize used tape cores in 2010. The collected tape cores are recycled into cardboard, and the revenue from recycling along with support funds from our company are used for the following two environmental conservation activities.

1 Mangrove planting and maintenance activities in the Philippines

2 Forest Drops Conservation Activities

In the 15th Tape Core ECO Project conducted in FY 2024, we collected 479,597 tape cores with participation from 1,201 organizations and 295 individuals nationwide, bringing the cumulative collection total to over approximately 6.23 million cores.



Support for People with Disabilities

We support the efforts of people who continue to challenge themselves in pursuit of their dreams and the development of sports environments through the provision of sports medical products.

Blind Soccer

Since April 2018, we have been a supply service partner of the NPO Japan Blind Football Association (JBFA), providing tape products for use in tournament operations.

Wheelchair Tennis

In September 2023, we began a sponsorship agreement with wheelchair tennis player Ms. Shiori Funamizu, who is affiliated with LY Corporation.

Goalball

We have signed an official gold supplier agreement with the Japan GoalBall Association, providing the taping tapes “battlewin™ series.”

Paralym Art®

Since April 2018, we have been supporting the activities of “Paralym Art®,” promoted by the Shougaisha Jiritsu Suishin Kikou Association for Promotion of Independence of People with Disabilities.





▲ 16th NICHIBAN Tape Core ECO Project
Design competition most excellent work
(Created by: RIE, Work title: Blessing)

©Haruo.Wanibe/JBFA

Achieved recycling of release paper generated during manufacturing

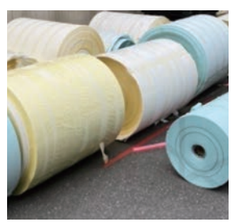
From September 2024, we began a new initiative to enable recycling of release paper generated during the manufacturing process of adhesive tape products. Release paper is used in the manufacturing process of adhesive products and to protect the adhesive of final products. It was designated as a prohibited item by the Paper Recycling Promotion Center of Japan*1 for reasons including that polyethylene laminated paper, which is difficult to recycle, is sometimes used as the base paper, and that adhesive residue remaining on used release paper is undesirable to mix into recycled raw materials.

In cooperation with Nippon Paper Industries Co., Ltd., we made it possible to recycle release paper into recycled paper, and from September 2024 to March 2025, approximately 11,100 kg of release paper was recycled into cardboard base paper.

Currently, this recycled paper is being reused in various cardboard applications, but we aim to utilize it as cardboard for packaging Nichiban products in the future, continuously working toward environmental impact reduction and effective resource utilization.

＊1 Prohibited item Class B in the standard quality specifications for waste paper by the Paper Recycling Promotion Center of Japan (public interest incorporated foundation)

1 Separate collection of release paper only (Nichiban)



2 Accumulation, cutting, crushing, packaging (Nippon Paper Trading Co., Ltd.)



3 Accumulation, cutting, crushing, packaging (Nippon Paper Trading Co., Ltd.)



4 Reused as cardboard for product packaging



1 Since the release paper from 1 is reused in various cardboard applications, the cardboard above is an image photo.

Initiatives for Human Capital Management

The Nichiban Group regards “human capital” as the source of sustainable corporate value creation and promotes “human capital management” that maximizes its potential. Through this, we aim to achieve medium- to long-term corporate growth and stakeholder value creation.



Administration Division
General Manager of Human Resources Department
Atsuko Yokota

The Nichiban Group’s human capital management is centered on “Diversity, Equity & Inclusion (DE&I)” that brings together and enhances the individual strengths of diverse human capital, “development of autonomous human capital” that cultivates leaders for the next era and maximizes diverse abilities, and “health and engagement” where employees work with motivation and vitality. We continue activities through the “Engagement Improvement Committee and Project” to improve all employees’ engagement and achieve sustainable growth of the entire organization. To create an organization where employees can challenge themselves with confidence and demonstrate true teamwork, we conducted “psychological safety training” for management and supervisors. By enhancing engagement and psychological safety, we will advance “human development” and “organizational development” through various new initiatives toward realizing innovation creation and global contribution set forth in the “NICHIBAN GROUP 2030 VISION.”

Related site links

Overall picture of the Nichiban Group’s human capital management

Enhancement of corporate value, creation of stakeholder value

NICHIBAN GROUP 2030 VISION

Promoting innovation creation and global expansion toward a sustainable society

Practice of human capital management

2 Human Capital Development

Development of leaders who will lead the next era and autonomous human capital who maximize diverse abilities

Leadership	Hierarchical education
Skill development (specialized, functional)	Next-generation management
Experience, OJT	Retention

3 Health and engagement

Achieving employees’ physical and mental health and job satisfaction

Health management	Employee engagement
Work-life balance	Occupational health and safety

Acquisition and formation of diverse talent pool

1 Diversity, Equity & Inclusion (DE&I)

Fostering an organizational culture where diverse values are respected, each individual demonstrates their uniqueness, and everyone collaborates and enhances each other

TOPICS

Human Capital Management

Introduction of new personnel system

To promote human capital management, we introduced a new personnel system from FY 2025. This system aims to maximize the growth and active participation of each employee. The new system establishes new promotion criteria that enable the selection and advancement of young employees, promoting the development of human capital for the next generation. We also revised the continuous employment contract system with expectations for long-term active participation until age 65. We will continue to consider diverse working styles for employees and review welfare benefit systems this fiscal year as well. By establishing an environment where employees can work with vitality, we will achieve sustainable growth as a company.

Conducted LGBTQ training for all employees

This training was conducted not only to gain knowledge about LGBTQ and SOGI (Sexual Orientation and Gender Identity) but also to understand the importance of contributing to creating a harassment-free workplace environment and promoting DE&I. The training was conducted for all employees in collaboration with certified NPO Nijiiro Diversity. Through talk sessions between LGBTQ individuals and examples of inappropriate comments, we obtained meaningful opinions. We will continue to promote diversity and inclusion for raising awareness both internally and externally, sending appropriate messages, and achieving sustainable corporate growth.

NIJIIRO DIVERSITY
certified NPO Nijiiro Diversity

Implemented the “General Manager Management Academy” and the “Management Academy” as next-generation executive development programs



Our company implements two programs, the “General Manager Management Academy” and “Management Academy,” to develop management leaders who will carry Nichiban’s vision from 2030 onwards. The “General Manager Management Academy” targets general managers and general manager candidates who are future management candidates, aiming to cultivate leadership that has a company-wide perspective and medium- to long-term management viewpoint, communicates vision, engages others, and makes decisions and executes actions for an uncertain future. The “Management Academy” targets young managers and aims to develop leadership with a management perspective, medium- to long-term vision, and the ability to engage others with execution capabilities. Both programs aim for participants to cultivate the perspective and capabilities necessary as management leaders and contribute to the development of the Nichiban Group.

Certified as an “Outstanding organization of KENKO Investment for Health in Japan 2025”

Our company believes that the physical and mental health of each employee is important to realize the happiness of all people involved with the Nichiban Group, valuing bonds as stated in our basic philosophy. We will continue to promote initiatives focused on employee health so that employees can work with vitality and continue to create new value for society. Our company was certified as an “Outstanding organization of KENKO Investment for Health in Japan 2025” in the large enterprise category as an organization that considers employee health management from a management perspective and strategically practices initiatives that lead to health maintenance and promotion, under the Health and Productivity Management Organization in Japan certification system*2 hosted by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi*1. This marks the third consecutive year of certification.

*1 The Nippon Kenko Kaigi is an organization that takes practical community- and workplace-based actions, through collaboration among private organizations and with full administrative support, in order to extend the healthy lifespan of and provide appropriate medical care for each individual in Japan

*2 The “KENKO Investment for Health” Program recognizes large enterprises, SMEs, and other organizations that excel in practicing health and productivity management based on regional health issues and the health promotion initiatives advanced by the Nippon Kenko Kaigi.

2025 健康経営優良法人
KENKO Investment for Health
大規模法人部門

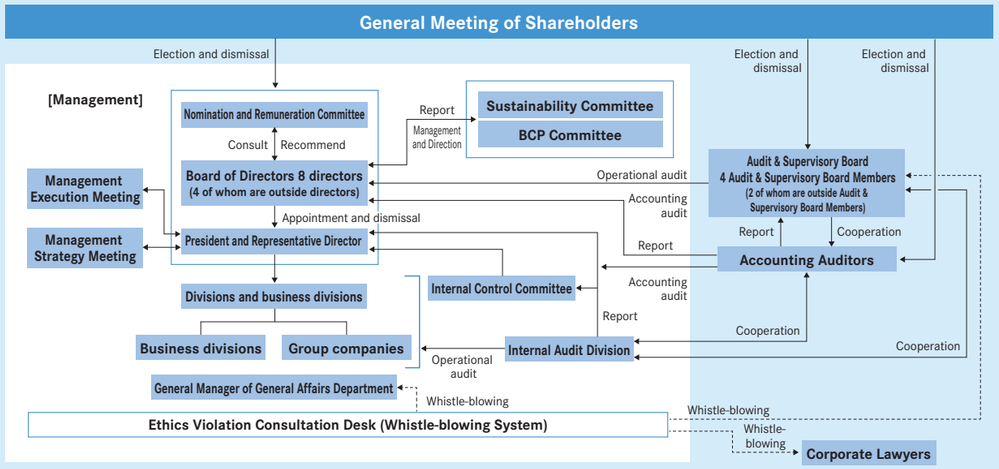
Management

Corporate Governance

Basic Concept

We aim to enhance management soundness and efficiency by developing an internal control system to facilitate the effective functioning of corporate governance. The Board of Directors comprises eight members, of which four are outside directors. Management strategy meetings and management execution meetings are also held for the purpose of strengthening the functions of the Board. The Audit & Supervisory Board liaises with the Internal Audit Division and the accounting auditors to conduct audits of the management. Also, to ensure that we are in compliance with laws, the articles of incorporation, and internal regulations, we have established an Internal Control Committee and an Ethics Violation Consultation Desk.

Corporate Governance Structure



Board of Directors

The Board of Directors consists of eight members (of which four are outside directors.) We have also introduced an operating officer system for the execution of business operations. The Board meets once a month to basically ensure that the directors perform their duties efficiently. Extraordinary meetings are held whenever necessary. Management strategy meetings are also held twice a month, chaired by the representative director, to discuss basic strategies, policies, and various measures related to management in advance, thereby promoting the swift and efficient implementation of management activities. Moreover, to further strengthen the functions of the Board of Directors, a management execution meeting is held once a month, attended by the directors, managing officers, and senior operating officers. Basic items and important matters concerning business execution are discussed during the meeting.

Audit & Supervisory Board and Internal Audit Division

We employ a corporate auditor system centering on an Audit & Supervisory Board, which is comprised of four members, including two outside auditors. We have also established an Internal Audit Division that reports directly to the president. The auditors attend Board meetings and other important meetings and conduct audits of the execution of duties by directors from an objective and independent standpoint. The Internal Audit Division is responsible for auditing all aspects of management in accordance with the Internal Audit Rules. By conducting regular audits of accounting, operations, and efficiency, including at subsidiaries, it aims to detect operational deficiencies that ought to be avoided in management, enhance management efficiency, and contribute to the safeguarding of company assets.

Nomination and Remuneration Committee

We have established a Nomination and Remuneration Committee as an advisory body to the Board of Directors for the purpose of enhancing corporate governance and the fairness, transparency, and objectivity of procedures pertaining to the nomination and compensation of directors. The Nomination and Remuneration Committee is made up of three or more directors selected by resolution of the Board of Directors. The majority of members are independent outside directors, one of which has been selected to serve as chairperson by resolution of the Board of Directors.

Board Effectiveness Evaluation

The Board of Directors conducts understanding, analysis, and verification of the effectiveness of the Board of Directors as a whole. In FY 2024, we conducted a survey of all directors and all audit & supervisory board members regarding the composition and operational status of the Board of Directors, and deliberated at the Board of Directors based on the compiled results. As a result, we evaluated that the composition, operational status, and deliberation status of our company's Board of Directors are generally appropriate as a system for the Board of Directors to fulfill its supervisory function, and effectiveness is ensured. We will continue to work on improving the effectiveness of the Board of Directors, centered on the Board of Directors chairperson and the Board of Directors secretariat.

Training for Executives

1 Study sessions for realizing management conscious of cost of capital

Promoting understanding of cost of capital mechanisms toward improving corporate value

2 Multifaceted feedback training for management personnel

Strengthening the leadership and management capabilities of managers

3 Decarbonization training

Promoting understanding of environmental trends surrounding companies regarding climate change and carbon management

4 Unconscious bias seminar

Recognizing unconscious bias that everyone has, understanding its impact on organizations, and connecting it to creating comfortable workplaces and securing business opportunities

Executive Remuneration

Remuneration is linked to shareholder interests so that it functions as an incentive for sustained improvements in corporate value. Our basic policy is to establish appropriate levels based on responsibilities in order to determine the remuneration for each director. Remuneration for executive directors consists of basic remuneration based on position, responsibilities, and experience, as well as performance-linked remuneration. The latter includes bonuses (short-term incentives) paid annually and a medium-to-long-term incentive paid once within a certain period based on the medium-term management plan, provided in the form of restricted stock (non-monetary remuneration) that is subject to transfer restrictions on some or all of the shares granted. Compensation for outside directors tasked with a supervisory role consists only of basic compensation in light of those duties. The individual compensation amounts for directors are deliberated by the Nomination and Remuneration Committee, which then makes recommendations to the Board of Directors for approval.

Remuneration Amounts for Directors and Audit & Supervisory Board Members

Category	Total amount of remuneration (¥ million)	Total amount by type of remuneration (¥ million)				
		Fixed remuneration	Performance-Linked Bonus		Retirement allowance	Number of Eligible Officers
			Monetary Reward	Non-Monetary Reward		
Directors (Excluding Outside Directors)	107	60	31	15	–	4
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	31	31	–	–	–	3
Outside Officers	41	41	–	–	–	6

Performance Metrics	Target	Results
Consolidated Operating Income	2,400 million yen	2,586 million yen
Consolidated Operating Income Margin	4.9%	5.2%
New Products Ratio	15.0%	10.7%
Global Sales Ratio	15.0%	10.5%
Stock Growth Rate	–	114.3%
Engagement Score	45.0	50.7
CO_2 emission reduction (compared to FY2013)	32.0%	49.1%

Notes:

1. The remuneration amount for directors does not include remuneration for directors who concurrently hold a key position in the Company.
2. The total amount of remuneration includes director bonuses of ¥24 million (for four directors) that were recorded as provisions for director bonuses and stock-based remuneration during the current fiscal year.
3. Performance-linked compensation is paid according to position and achievement status of performance indicators. For performance indicators, we have selected "consolidated operating income," "consolidated operating income margin," which are important KPIs for our group, and "new product ratio," "global ratio," "stock growth rate," "engagement score," and "CO–emission reduction," which are indicators directly linked to achieving our medium- to long-term vision. Note that "global ratio" is calculated using sales of "Global Field," and such sales include sales to external customers in Japan. The actual results of performance-linked compensation indicators for the current consolidated fiscal year are as shown on the left.
4. The breakdown of non-monetary compensation for directors (excluding outside directors) is 15 million yen in performance-linked compensation.

Development of Internal Control System

By developing an internal control system for the NICHIBAN Group based on a basic policy adopted by the Board of Directors, we are endeavoring to ensure proper business operations and to establish strong corporate value by ensuring the reliability of various information, including financial reports.

Internal Control Committee

We have established an Internal Control Committee as a governing body to oversee matters of mainly compliance and corporate governance.

Chaired by the president, it meets every six months to review important matters and improvement measures related to internal controls. It also discusses timely disclosure and Company-wide risk management, and takes steps to strengthen and improve the internal control system.

Compliance

Basic Concept

We have established the NICHIBAN Group Ethics to foster a shared compliance mindset among all employees.

NICHIBAN Group Ethics

Basic Policy

We recognize that corporations are public instruments for the benefit of society and we will fulfill our social responsibilities by undertaking activities based on the following action guidelines.

1 Compliance with laws and regulations

We will abide by the law, adhere to social norms, and engage in fair and transparent corporate activities.

2 Providing useful, safe, and reliable products

We will place the utmost emphasis on quality, safety, and the environment, and by improving customer satisfaction through our products, we will build the trust of customers and contribute to society.

3 Standing firmly against antisocial behavior

We will take a firm stance against antisocial behavior that threatens the order and security of civil society.

4 Thoroughgoing information management and disclosure

We will properly manage and protect all information related to the NICHIBAN Group and will disclose corporate information in a timely and appropriate manner.

5 Strict adherence to ethics

Management will lead by example to establish an internal framework and ensure it is widely understood and implemented in keeping with the spirit of the NICHIBAN Group Ethics.

Ensuring Compliance

As a concrete guideline for ethical practices within the NICHIBAN Group, we have produced a NICHIBAN Group Code of Conduct Handbook, which is distributed to all Group employees. The NICHIBAN Group Code of Conduct Handbook is regularly reviewed to respond to changes in social conditions and relevant laws, and its contents are thoroughly communicated through training sessions and meetings. In addition, we provide various e-learning programs on compliance, allowing employees to take the courses anytime and anywhere, in an effort to further embed compliance throughout the organization.

List of e-learning compliance training modules

- Proper disposal of industrial waste
- Risk management
- Learning from recent cases: Personal information protection
- Food safety and security compliance: Food labelling and false advertising
- Considering organizational culture: Corporate ethics and compliance
- Insider trading regulations
- Introduction to subcontracting laws
- Introduction to truth-in-advertising laws
- Introduction to intellectual property: Copyright, trade secrets, trademarks, and company names
- Introduction to anti-trust laws
- Preventing consumer disputes: Introduction to specified commercial transactions laws

Enhanced Whistle-blowing

We have set up two consultation channels through which employees can report ethical violations and instances of harassment. The Ethics Violation Consultation Desk is staffed by the General Manager of the General Affairs Department, corporate auditors, and external legal advisors. It serves as a general point of contact for compliance-related concerns with the aim of identifying instances or potential cases of legal violation. For the harassment reporting channel, a dedicated hotline has been established at each business site, thus making it easier for employees to report issues. Moreover, in order to deepen the understanding of harassment, we run training sessions to improve the skills of the personnel that man the reporting channel.

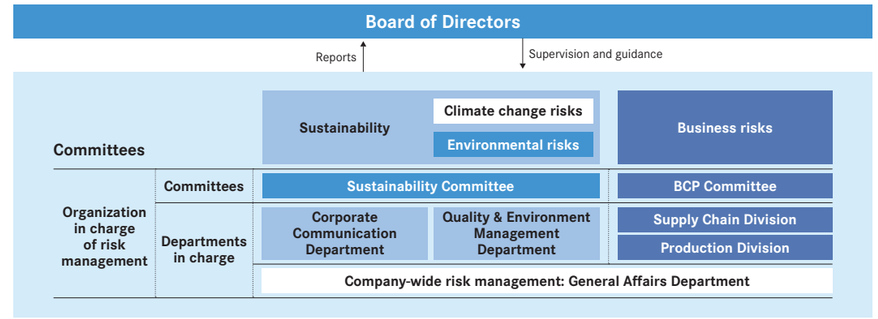
Risk Management

Basic Policy

We take predictive and preventive measures in advance to avoid any kind of major crisis that could jeopardize business continuity. However, in the event a crisis does occur, we manage it properly and ensure business continuity and stable development by keeping the damage to a minimum and taking steps to prevent a recurrence.

Risk Management System

Risks that need to be managed on a company-wide level are handled by the General Affairs Department, while climate change and environmental risks are addressed by the Sustainability Committee. Chaired by the director in charge of CSR, this committee analyzes and examines these risks and reports its findings to the Board of Directors. Also, we have established a BCP Committee chaired by the General Manager of the Supply Chain Division for the purpose of addressing risks related to business continuity.



Emergency Response Drills

We have established a set of Emergency Response Rules so that the right decisions can be made swiftly in the event of an emergency situation that poses a threat to the lives and well-being of employees and other parties or an emergency that could significantly impede or affect our business activities. Once a year, based on the scenario that a disaster has occurred, we run a training drill to practice setting up and operating emergency response units for the entire organization and at each business site with the aim of minimizing harm to employees and damage to Company property, and the impacts on the safety and environment of the areas around our business sites. In addition, we conduct emergency response training using a safety confirmation system and emergency radios.

Establishment of BCP-driven Stable Supply Structure

In the NICHIBAN Business Continuity Management Regulations, we have prescribed guidelines for the kinds of actions and measures that should be implemented during each stage; namely, when a disaster has occurred, when business has resumed, and when business is continuing. In light of climate change and heightened geopolitical risks in recent times, the BCP Committee is studying risks across the entire supply chain and focusing on measures to ensure we can make good on our product supply responsibilities. For example, it is mapping manufacturers of raw materials, assessing the risks associated with procuring specialized and rare materials, and responding to the risks identified in TCFD scenario analysis.

Information Security

Development of IT Controls

Information technology has become indispensable to business strategies and the quality of information systems achieved with the use of IT now has a significant impact on management. By developing and deploying IT controls, we can carry out appropriate self-assessments and audits around IT strategy, development, and operations. This is reinforcing IT governance throughout the NICHIBAN Group, whilst also properly controlling risks pertaining to information systems. We have established a Group IT Liaison Committee to facilitate the sharing of information between Group companies and to monitor how the proprietary systems of each company are being operated.

Management (As of June 26, 2025)

Directors



President
Toshiaki Takatsu

Career summary

Apr. 1990	Joined the Company
June 2015	General Manager of Purchase Department, Business Management Division
Apr. 2017	General Manager of Middle Japan Sales Department, Industrial Product Sales Management Department
Apr. 2018	Operating Officer and General Manager of Medical Specialty Sales Department
Apr. 2019	Senior Operating Officer, Assistant to President
June 2019	President, responsible for overall corporate management (current position)

Significant concurrent positions

None

Number of shares of the Company held	24,524 shares
Attendance at the Board of Directors meetings	15/15 (100%)



Executive Director
Hironori Sakai

Career summary

Apr. 1985	Joined the Company
Apr. 2008	Operating Officer and General Manager of Administration Department
June 2009	Director, Operating Officer, and General Manager of Administration Department
June 2015	Director, Managing Officer, responsible for CSR and corporate management
Oct. 2016	Director, Managing Officer, responsible for CSR and corporate management, and Director and Advisor for corporate management of Daito Chemical Co., Ltd.
June 2019	Executive Director, responsible for Promotion Unit and CSR, and General Manager of Public Relations Department
Apr. 2020	Executive Director, responsible for administration and CSR (current position)

Significant concurrent positions

None

Number of shares of the Company held	32,205 shares
Attendance at the Board of Directors meetings	15/15 (100%)



Director, Managing Officer
Hideaki Hara

Career summary

Apr. 1984	Joined the Company
Apr. 2011	Operating Officer and General Manager of Management Department, Tape Business Division
Apr. 2012	Operating Officer and General Manager of Tape Business Division
June 2012	Director, Operating Officer, and General Manager of Tape Business Division
Apr. 2020	Director, Managing Officer, responsible for sales, and General Manager of Business Management Division
Apr. 2022	Director, Managing Officer, responsible for sales and development, and General Manager of Domestic Business Division
Apr. 2024	Director, Managing Officer, responsible for sales and development, and General Manager of Business Strategy Division (current position)

Significant concurrent positions

None

Number of shares of the Company held	17,191 shares
Attendance at the Board of Directors meetings	15/15 (100%)



Director, Managing Officer
Yasuhiko Takahashi

Career summary

Apr. 1986	Joined the Company
Apr. 2011	Operating Officer and General Manager of Anjo Factory
June 2013	President of NICHIBAN TECHNO CO., LTD.
Apr. 2016	Senior Operating Officer and General Manager of Administration Division
Apr. 2020	Managing Officer, General Manager of Corporate Planning Division and Public Relations Department
June 2021	Director, Managing Officer, General Manager of Corporate Planning Division (current position)

Significant concurrent positions

None

Number of shares of the Company held	12,291 shares
Attendance at the Board of Directors meetings	15/15 (100%)



Outside Independent Director
Tatsuo Ishihara

Career summary

Oct. 1977	Passed the National Bar Examination
Apr. 1980	Appointed as Public Prosecutor of Tokyo District Public Prosecutors Office
Apr. 1987	Registered as an attorney-at-law
Jan. 1989	Established Okinobu & Ishihara Law Office* Representative of Okinobu & Ishihara Law Office(current position)
June 2016	Outside Director of the Company (current position)

*Currently renamed to Spring Partners

Significant concurrent positions

Representative of Spring Partners

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	15/15 (100%)



Outside Independent Director
Akihiro Sato

Career summary

Oct. 1987	Passed the National Bar Examination
Apr. 1990	Registered as an attorney-at-law
Apr. 1990	Joined Marunouchi Kyoritsu Law Firm
May 1995	Established Akihiro Sato Law Office Representative of Akihiro Sato Law Office
Dec. 2016	Outside Audit & Supervisory Board Member of the Company
June 2019	Outside Director of the Company (current position)
June 2023	Partner at Shinwa Sohgoh Law Offices (current position)

Significant concurrent positions

Partner at Shinwa Sohgoh Law Offices

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	15/15 (100%)



Outside Independent Director
Hiromi Sanada

Career summary

Apr. 1979	Internal Medicine Ward, St. Luke's International Hospital
Apr. 1980	Surgical Ward, Kanazawa University Hospital
Apr. 1981	Assistant and Associate Professor of Department of Nursing, School of Allied Medical Sciences, Kanazawa University
Apr. 1987	Research Student of Faculty of Medicine, Kanazawa University (March 1997 - Doctor of Medicine)
Apr. 1988	Graduate School of Nursing, University of Illinois, USA (Special Training) (- March 1990)
Nov. 1998	Professor of the School of Health Sciences, Faculty of Medicine, Kanazawa University
Apr. 2004	Division of Health Sciences and Nursing, Graduate School of Medicine, The University of Tokyo
Apr. 2017	Director of Global Nursing Research Center, Graduate School of Medicine, The University of Tokyo
Apr. 2022	President of Ishikawa Prefectural Nursing University (current position)
June 2022	Professor Emeritus of The University of Tokyo (current position)
June 2022	Outside Director of the Company (current position)

Significant concurrent positions

President of Ishikawa Prefectural Nursing University

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	15/15 (100%)



Outside Independent Director
Junko Sugawara

Career summary

Apr. 1983	Joined Calpis Food Industry, Co., Ltd.*
Apr. 2014	General Manager, Milk Procurement Division, Calpis Co., Ltd. Outside Director, Calpis Foods Service Co., Ltd.
Mar. 2018	Director, Calpis Co., Ltd.
Mar. 2021	President and Representative Director, Calpis Co.,Ltd. (retired in March 2023)
June 2025	Outside Director of the Company (current position)

*Currently, Calpis Co., Ltd.

Significant concurrent positions

None

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	–

Audit & Supervisory Board Members



Audit & Supervisory Board Member
Osamu Sakamoto

Career summary

Apr. 1990	Joined the Company
Apr. 2020	General Manager of Internal Audit Division
Apr. 2022	Operating Officer and General Manager of General Affairs Department, Administration Division, and responsible for Internal Controls
Apr. 2024	Operating Officer, Assistant to Audit & Supervisory Board
June 2024	Audit & Supervisory Board Member (current position)

Significant concurrent positions

None

Number of shares of the Company held	2,200 shares
Attendance at the Board of Directors meetings	15/15 (100%)
Attendance at the Audit & Supervisory Board meetings	15/15 (100%)



Outside Audit & Supervisory Board Member
Yasushi Kodama

Career summary

Oct. 1988	Passed the National Bar Examination
Apr. 1991	Physician, U.S. Naval Hospital Yokosuka, Japan
May 1991	Passed the National Medical Practitioners Qualifying Examination
Apr. 1992	Judicial Trainee, Legal Training and Research Institute of the Supreme Court of Japan
Apr. 1994	Joined T. HASEGAWA & CO., LAW OFFICES
Sep. 1995	Joined Sidley & Austin Law Firm (Chicago)
Aug. 1996	Joined Barlow Lyde & Gilbert Law Firm (London)
Nov. 1996	Passed the New York State Bar Exam, USA
June 2004	Specially-appointed Professor at the Graduate School of Medicine of the University of Tokyo
Apr. 2012	Established Shinsei Sogo Law Offices, Representative (current position)
Apr. 2015	Director of National Cancer Center Japan (- March 2023)
Dec. 2018	Regent at Tokyo Medical University (current position)
June 2019	Outside Audit & Supervisory Board Member of the Company (current position)

Significant concurrent positions

Representative of Shinsei Sogo Law Offices, Regent at Tokyo Medical University

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	15/15 (100%)
Attendance at the Audit & Supervisory Board meetings	13/15 (86.67%)



Outside Audit & Supervisory Board Member
Atsushi Fukuda

Career summary

Oct. 1985	Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)
Apr. 1989	Registered as a certified public accountant
May 2006	Appointed as Representative Partner (currently Partner) of KPMG AZSA LLC
June 2021	Retired from KPMG AZSA LLC
May 2022	Part-time Corporate Auditor of SANYO SHOKAI LTD. (current position)
June 2022	Outside Audit & Supervisory Board Member of the Company (current position)
May 2024	Auditor, Saitama Medical University (current position)

Significant concurrent positions

Outside Audit & Supervisory Board Member of SANYO SHOKAI LTD, Auditor, Saitama Medical University.

Number of shares of the Company held	0 share
Attendance at the Board of Directors meetings	15/15 (100%)
Attendance at the Audit & Supervisory Board meetings	15/15 (100%)

Skills Matrix of Directors and Audit & Supervisory Board Members

Name	Positions and Responsibilities at the Company	Nomination and Remuneration Committee	Skill: Corporate management	Finance/ Accounting	Legal/Risk Management	Human Resources - Human Resource Development	R&D	Manufacturing/ Technology	Marketing/ Sales	Internationality
Toshiaki Takatsu	President	●	●		●	●	●	●	●	
Hironori Sakai	Executive Director	●	●	●	●	●				
Hideaki Hara	Director, Managing Officer		●				●		●	
Yasuhiko Takahashi	Director, Managing Officer		●	●	●	●		●		●
Tatsuo Ishihara	Outside Director	●			●					
Akihiro Sato	Outside Director	●	●		●					
Hiromi Sanada	Outside Director					●	●			●
Junko Sugawara	Outside Director	●	●				●		●	●
Osamu Sakamoto	Audit & Supervisory Board Member			●	●					
Yasushi Kodama	Outside Audit & Supervisory Board Member		●		●		●			●
Atsushi Fukuda	Outside Audit & Supervisory Board Member			●						

Messages from Outside Directors

We received messages from our four outside directors regarding the roles that outside directors should play, challenges in overall management and the board of directors, and committee activities, from the perspective of Nichiban Group's sustainable growth going forward.

Questions

1 How do you see your role as an outside director in light of your professional history and knowledge?
2 What issues do you see facing management in general and the Board of Directors in particular, and what is your response?
3 What are some issues related to the effectiveness of the Board of Directors and the governance system?
4 What activities do the Nomination and Remuneration Committee engage in?
5 Expectations for the Medium-term Management Plan “CREATION2026”

1 After being appointed as a Tokyo District Public Prosecutors Office prosecutor and working at various district prosecutor offices, I registered as a lawyer and have spent over 40 years as a legal professional. Through my experience as a prosecutor having to decide whether to bring public prosecution against numerous cases within certain deadlines, I naturally developed a sense of balance in matters. Since our company constantly encounters various situations and conflicts of interest in conducting business, I believe I can provide insights to help determine whether there are any problems with specific decisions when they need to be made.

2 While Board of Directors meetings are conducted in a free atmosphere, I think it would be even better if, in addition to monthly results, there were introductions of concepts that emphasize future business development.

3 The effectiveness of the Board of Directors has been functioning sufficiently from before, and with the addition of a female expert in health sciences and nursing as an outside director, I evaluate that effectiveness has been further improved from the perspective of Diversity, Equity & Inclusion (DE&I). I consider human capital management, which is essential for bearing future sustainable growth in our company’s Medium-term Management Plan “CREATION 2026,” to be of utmost importance, and believe that securing and developing excellent human capital is indispensable for long-term corporate value enhancement.

4 The Nomination and Compensation Committee is held as appropriate, but since outside directors have limitations in their knowledge and information about the organization, we receive proposals from the company side such as the president, confirm through Q&A about their rationale and reasonableness that the proposals have objectivity, transparency and fairness, and resolve them at the Board of Directors.

5 Under the challenging business environment including soaring raw material costs due to international circumstances such as recent excessive yen depreciation, the medium-term business plan “CREATION 2026” with its three priority themes of business portfolio reconstruction, global corporatization, and human capital management can be evaluated as truly timely, and I greatly expect the entire company to unite and advance toward achieving those goals.



Outside Independent Director
Tatsuo Ishihara

1 As a lawyer, I have been involved with companies in various industries in the business legal field, focusing on corporate law including M&A, and have served as an outside executive at other companies. At the Nichiban Group, I believe I am expected to provide broad, appropriate and reasonable advice and recommendations from an independent and objective standpoint, utilizing the knowledge based on my background and experience.

2 At our company’s Board of Directors meetings, various issues related to overall management are generally presented in a timely manner and active exchanges of opinion are conducted.

3 In addition to our ancestral Self-Adhesive Cellulose Tapes business, our medical business has grown significantly in recent years, but we are increasingly required to make difficult management decisions as profit structures change significantly due to major external environmental changes. I believe the Board of Directors needs to make bold and aggressive decisions that include risk-taking while being cautious, incorporating a global perspective toward long-term corporate value enhancement.

4 We are conducting repeated discussions in the Nomination and Compensation Committee to ensure transparent and fair personnel decisions and compensation toward realizing the Medium-term Management Plan “CREATION 2026,” which sets appropriately high targets that all employees should work together to achieve.

5 The Medium-term Management Plan “CREATION 2026” sets ambitious goals for our company, including business portfolio reconstruction, promotion of innovation activities toward new business and major new product creation, establishment of global supply chain management systems, and contribution to sustainable society, while being conscious of human capital management. As a result of our company’s proactive stance to make significant changes, certain effects have emerged. I would like to have even greater expectations.



Outside Independent Director
Akihiro Sato

1 I recognize that I am contributing to innovation creation and global expansion of the medium- to long-term vision “NICHIBAN GROUP 2030 VISION.” Utilizing my experience of over 30 years in research and development in the medical and nursing fields as a professor at the University of Tokyo Graduate School of Medicine and as president of academic societies such as the Japan Society of Pressure Ulcers, I intend to provide advice from an expert standpoint regarding innovation creation in the medical business. The new product CATHEREEPLUS™ ECHO, an echo-guided puncture fixation dressing, was born through collaboration with the Japanese Society of Nursing and Engineering, where I served as president. Also, through the establishment of the Global Nursing Research Center at the University of Tokyo, I implemented many joint projects with universities in Asia and Europe. Based on this, I would like to support the establishment of a foundation for global business.

2 In healthcare and medical fields, many women are active, including nurses. In product development in this field, ideas from a female perspective and work environments that consider the position of female employees are important. I will strive to ensure that such opinions and recommendations are reflected in top management decision-making.

3 Our company has advocated management that values “people” and has been certified as a “Health and Productivity Management Organization in Japan” by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for three consecutive years. I would like to utilize my knowledge and network for innovation in such human resource management as well.

5 In new creation in new fields and global corporatization in business portfolio reconstruction, which are priority themes of “CREATION 2026,” we will advance industry-academia collaboration in the medical field with domestic and Asian universities. In 2025, we will open the social collaboration course “Next-Generation Wound Care Development” at the University of Tokyo. In human capital management, I expect to contribute to promoting women’s active participation.

* Since Ms. Sanada is not a member of the “Nomination and Compensation Committee,” question 4 has been omitted.



Outside Independent Director
Hiromi Sanada

1 Since joining Calpis Co., Ltd. over 40 years ago, I have accumulated education and experience as a generalist starting from the research institute through product development, marketing, business management, new business development, sales, SCM, and business operations. Although the categories differ, I hope to contribute to Nichiban’s growth by making realistic proposals that utilize my various field experiences at a consumer goods manufacturing company. A unique point of my experience is that I have long been involved in marketing “Calpis,” a long-running brand of over 100 years like Nichiban’s “Self-Adhesive Cellulose Tapes.” Brands and products that have continued for a long time have immeasurable value, and I believe they continue to be loved because they also have flexibility to adapt to the times. I assume there have been various events throughout the long history, but I would like to do my best to support the preservation of the unique brand value that only long-lived brands loved across generations can have, and the creation of new value and challenges in new fields that can be passed on to the next generation. Environmental changes surrounding business activities in recent years are very large and many things have become unpredictable. As corporate risk management becomes increasingly difficult, I will strive to contribute to Nichiban’s growth together with everyone while making maximum use of my knowledge and experience.

5 I think it is wonderful that human capital management is placed at the foundation of the Medium-term Management Plan “CREATION 2026.” It is inevitable that corporate power will become stronger when the psychological safety of working people is guaranteed and various human resources are actively engaged, so I will strive to be of assistance in achieving the goals.

* Since Ms. Sugawara was newly appointed at the 121st Ordinary General Meeting of Shareholders on June 26, 2025, we are posting messages for 1 and 5.



Outside Independent Director
Junko Sugawara

Eleven-Year Financial and Non-Financial Summary

Financial Summary

	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	**2025/3**
Results of Operations											
Net Sales (Millions of Yen)	39,892	42,461	44,145	46,234	47,417	44,063	41,528	43,134	45,560	46,859	**49,457**
Operating income (Millions of yen)	2,161	3,360	4,057	4,419	3,684	2,975	2,000	2,450	1,609	2,073	**2,586**
Ordinary income (Millions of yen)	2,267	3,490	4,274	4,626	3,860	3,095	2,070	2,561	1,748	2,201	**2,681**
Net Income Attributable to Owners of Parent (Millions of Yen)	1,311	1,827	3,107	3,132	3,193	1,751	1,350	1,809	2,371	1,827	**1,959**
Capital Investment (Millions of Yen)	1,818	3,586	5,818	6,489	2,054	1,455	2,755	3,981	4,092	1,803	**1,043**
Depreciation and amortization (Millions of Yen)	1,385	1,603	1,792	1,960	2,327	2,352	2,342	2,545	2,757	2,795	**3,145**
R&D Expenses (Millions of Yen)	1,008	1,108	1,153	1,241	1,184	1,067	1,064	1,057	1,110	1,202	**1,345**
Cash Flows from Operating Activities (Millions of Yen)	2,547	4,406	3,899	3,228	5,584	5,749	5,911	4,064	2,917	3,187	**3,690**
Cash Flows from Investing Activities (Millions of Yen)	(1,948)	(1,963)	(5,349)	(5,039)	(4,743)	(1,380)	(3,067)	(2,898)	(1,153)	(3,692)	**(1,695)**
Cash Flows from Financing Activities (Millions of Yen)	(468)	(589)	(636)	(934)	(979)	(916)	(772)	(691)	(867)	(1,225)	**(763)**
Free Cash Flows (Millions of Yen)	599	2,443	(1,450)	(1,811)	841	4,369	2,844	1,166	1,764	(505)	**1,995**
Cash and Cash Equivalents (Millions of Yen)	10,959	12,802	10,713	7,963	7,822	11,273	13,344	13,844	14,752	13,049	**14,307**
Financial Position at Year-End											
Net Assets (Millions of Yen)	26,885	28,140	30,766	33,317	36,480	37,218	38,078	38,961	40,603	41,703	**43,187**
Interest-Bearing Debt (Millions of Yen)	5,052	5,147	4,995	5,025	3,001	5,021	5,031	4,996	5,000	4,963	**4,995**
Total Assets (Millions of Yen)	47,943	52,890	56,120	60,755	60,329	59,752	61,214	64,427	69,123	68,039	**67,603**
Per Share Information											
Net Assets per Share (Yen)*1	1,297.26	1,357.84	1,484.70	1,607.89	1,760.54	1,796.15	1,837.64	1,880.25	1,969.94	2,049.15	**2,121.45**
Net Income per Share (Yen)*1	63.30	88.18	149.95	151.17	154.12	84.54	65.15	87.34	114.67	89.00	**96.26**
Net Income per Share-diluted (Yen)	–	–	–	–	–	–	–	–	114.65	88.97	**96.23**
Dividends per Share (Yen)*1	16	22	36	40*2	38	33	30	30	35	35	**35**
Ratios											
Equity Ratio (%)	56.1	53.2	54.8	54.8	60.5	62.3	62.2	60.5	58.7	61.3	**63.9**
Return on Equity (ROE) (%)	5.0	6.6	10.6	9.8	9.2	4.8	3.6	4.7	6.0	4.4	**4.6**
Ordinary Income/Total Assets (ROA) (%)	4.8	6.9	7.8	7.9	6.4	5.2	3.4	4.1	2.6	2.7	**4.0**
Price- Earnings Ratio (P/E Ratio) (Times)	14.5	14.9	12.3	23.1	15.2	17.7	29.4	19.5	16.8	21.3	**20.9**

Non-Financial Summary

Number of Employees (Consolidated)	1,160	1,180	1,204	1,241	1,258	1,266	1,260	1,255	1,268	1,270	**1,271**
Average Number of Temporary Staff (Consolidated)*3	227	206	195	151	146	133	113	130	143	134	**133**
Number of Male Managers (Non-Consolidated)	155	156	159	160	159	157	149	166	174	177	**246*4**
Number of Female Managers (Non-Consolidated)	11	10	11	11	12	13	14	16	21	20	**35*4**
Female Manager Ratio (%) (Non-Consolidated)	6.6	6.0	6.5	6.4	7.0	7.6	8.6	8.8	10.8	10.2	**12.5*4**
Employment Rate of Persons with Disabilities (%) (Non-Consolidated)	2.0	1.8	2.0	2.1	2.2	2.2	2.4	2.5	2.3	2.4	**2.5**

*1 Figures for the fiscal year ended March 31, 2013 through the fiscal year ended March 31, 2017 were calculated using the number of shares after the share consolidation implemented in October 2017.
*2 Dividend per share for the fiscal year ended March 31, 2018 was ¥40, including the ordinary dividend and the 100th anniversary commemorative dividend of ¥2.
*3 The average number of temporary employees includes part-time employees, contract employees, and dispatched workers throughout the year.
*4 Consolidated presentation has been adopted from the fiscal year ending March 2025.

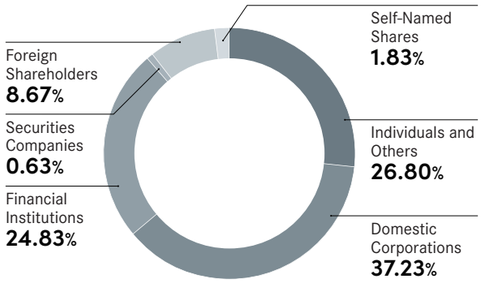
Corporate Information (As of March 31, 2025)

Company Name	NICHIBAN CO., LTD.
Founded	January 1918
Headquarters	2-3-3, Sekiguchi, Bunkyo-ku Tokyo, Japan, 112-8663
Telephone	+81-3-5978-5601
President	Toshiaki Takatsu
Capital	¥5,451 million
Consolidated Subsidiaries	NICHIBAN PRINT CO., LTD. NICHIBAN TECHNO CO., LTD. NICHIBAN MEDICAL CORPORATION NICHIBAN (THAILAND) CO., LTD. NICHIBAN EUROPE GmbH
Affiliated Companies	UNION THAI-NICHIBAN CO., LTD. Daito Chemical Co., Ltd. Hanyo Kako Co., Ltd

Stock Information (As of March 31, 2025)

Stock Information

Total Number of Authorized Shares:	70,000,000 shares
Total Issued Shares:	20,738,006 shares
Number of Shareholders:	19,819 people



Top 10 Major Shareholders (Top 10)

Shareholder Name	Number of Shares Held	Shareholding Ratio (%)
TAIHO PHAMACEUTICAL CO., LTD.	6,758,000	33.20
The Master Trust Bank of Japan, Ltd. (trust account)	1,506,500	7.40
NICHIBAN Supplier Shareholding Association	1,207,400	5.93
MUFG Bank, Ltd.	870,000	4.27
Mizuho Bank, Ltd.	870,000	4.27
STATE STREET BANK AND TRUST COMPANY 505103	484,162	2.38
Aioi Nissay Dowa Insurance Co., Ltd.	418,500	2.06
Resona Bank, Limited	288,500	1.42
The Dai-ichi Life Insurance Company, Limited	277,500	1.36
NORTHERN TRUST CO. (AVFC) RE IEDP AIF CLIENTS NON TREATY ACCOUNT	268,000	1.32

(Note) 1. The company holds 380,530 shares of treasury shares, which are excluded from the above major shareholders.
2. Shareholding ratios are calculated excluding treasury shares.
3. Shareholder names are shown as registered names as of March 31, 2025.

NICHIBAN Websites



- Corporate History
- Sustainability
- Nichiban Group Value Creation Process
- Related Policies
- Medium-term Vision and Medium-term Management Plan
- IR Information

NICHIBAN GROUP INTEGRATED REPORT 2025 Production Structure

NICHIBAN Group Philosophy

Management Team

↕ Discussion, Reporting & Approval

Sustainability Committee

↕ Discussion, Reporting & Approval

Planning & Content Production
Corporate Planning Division,
Corporate Communication Department

Content Production Cooperation
Related Departments
Group Companies

NICHIBAN Group Sustainability

Environment | Social | Governance

Contact

NICHIBAN CO., LTD. Corporate Planning Division Corporate Communication Department
2-3-3 Sekiguchi, Bunkyo-ku, Tokyo 112-8663, Japan
TEL: +81 (3) 6386-7190

Forward-looking statements

This integrated report contains forward-looking statements about Nichiban's management plans, forecasting, strategies, and performance. These statements are based upon current beliefs in light of the information available on the issuing date of the report.

NICHIBAN CO.,LTD.

2-3-3, Sekiguchi, Bunkyo-ku Tokyo, Japan, 112-8663
https://www.nichiban.com/corp/